AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT
& MEDIA RELEASE

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HIGH-GRADE COBALT IN FIRST CHANNEL SAMPLES AT NEWLY ACQUIRED ITAPITANGA NICKEL-COBALT PROJECT

Rock chip samples of up to 0.52% Co & 1.63% Ni; extensive soil sampling and auger drilling underway

- **High-grade cobalt assays of 0.19% Co and 0.18% Co returned from initial channel samples taken during Centaurus's initial field activities at the newly-acquired Itapitanga Nickel-Cobalt Project in Brazil.**
- **Rock chip samples taken during the first program across the initial target area returned highest grades of 0.52% Co and 1.63% Ni.**
- **Itapitanga is located at the southern strike extent of Anglo American's world-class Jacaré Ni-Co Project – Mineral Resource of 307Mt at 1.3% Ni and 0.13% Co including a high-grade cobalt resource of 185Mt at 1.2% Ni and 0.18% Co[1] (one of the highest large-tonnage cobalt grades in the world).**
- **These early stage results provide strong indications that the high-grade cobalt mineralisation at Itapitanga is similar to that seen at the adjoining large-scale nickel-cobalt projects owned by Anglo and Vale.**
- **Aggressive exploration already underway at Itapitanga, including soil sampling and auger drilling to test the widths and grade of the mineralisation seen at surface – ahead of RC drilling planned for mid-late March.**
- **Centaurus well positioned to progress exploration across its highly prospective copper, gold, nickel and cobalt tenement footprint in the Carajás Mineral Province of Northern Brazil.**

Centaurus Metals (ASX Code: **CTM**) is pleased to announce that the first exploration activities at its newly-acquired Itapitanga Nickel-Cobalt Project in northern Brazil have returned **high-grade cobalt mineralisation of up to 0.52% cobalt (Co) in rock chips and 0.19% Co in channel samples.**

As part of the Company's initial exploration activities over the Itapitanga Project area Centaurus geologists collected channel, rock chip and soil samples.

Fortuitously, a 3m deep road cutting transects part of the target area, from which **two channel samples were taken which returned assay results of 0.19% Co and 0.18% Co. In addition, a rock chip sample taken from the exposed Fe-laterite zone returned outstanding grades of 0.52% Co and 0.56% Ni** (see map in Figure 2 for sample locations and Table 1 for full list of results).

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

Australian Office
Centaurus Metals Limited
Level 3, 10 Outram St
WEST PERTH WA 6005

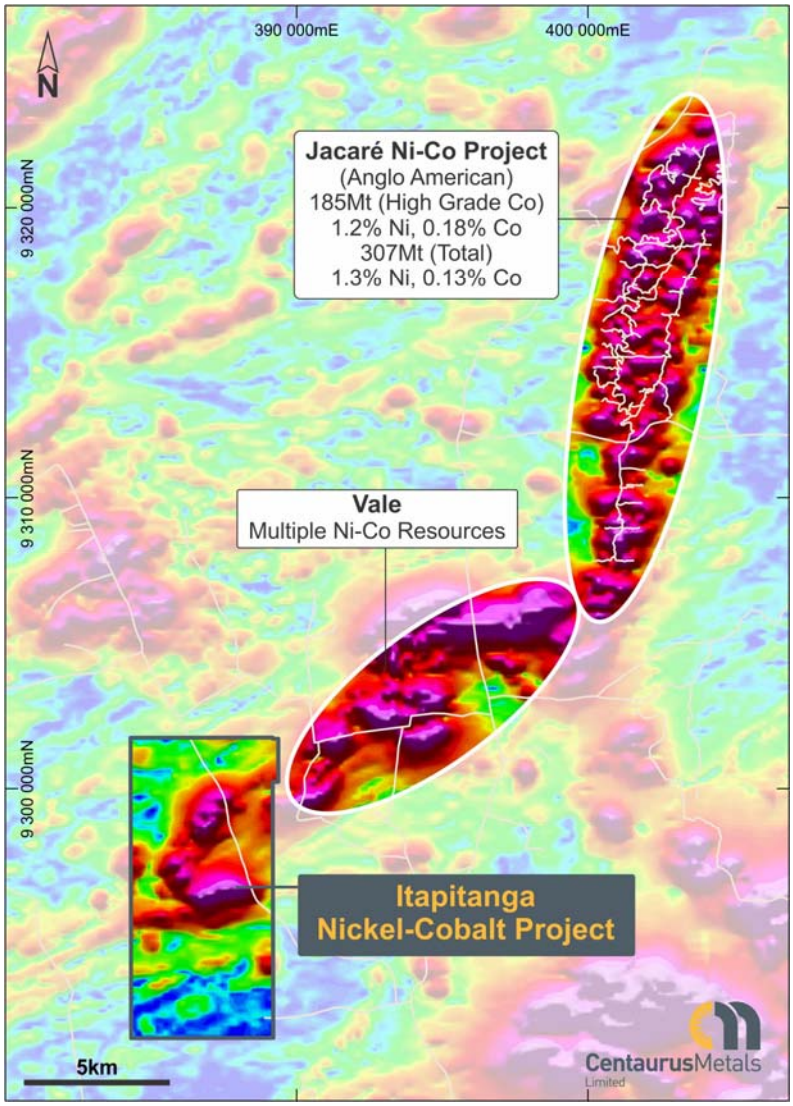
Brazilian Office
Centaurus Brasil Mineração Ltda
Avenida Barão Homem de Melo, 4391
Salas 606 e 607 - Estoril
Belo Horizonte - MG - CEP: 30.494.275
BRAZIL

ASX: CTM
ACN 009 468 099
office@centaurus.com.au
Telephone: +61 8 9420 4000

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

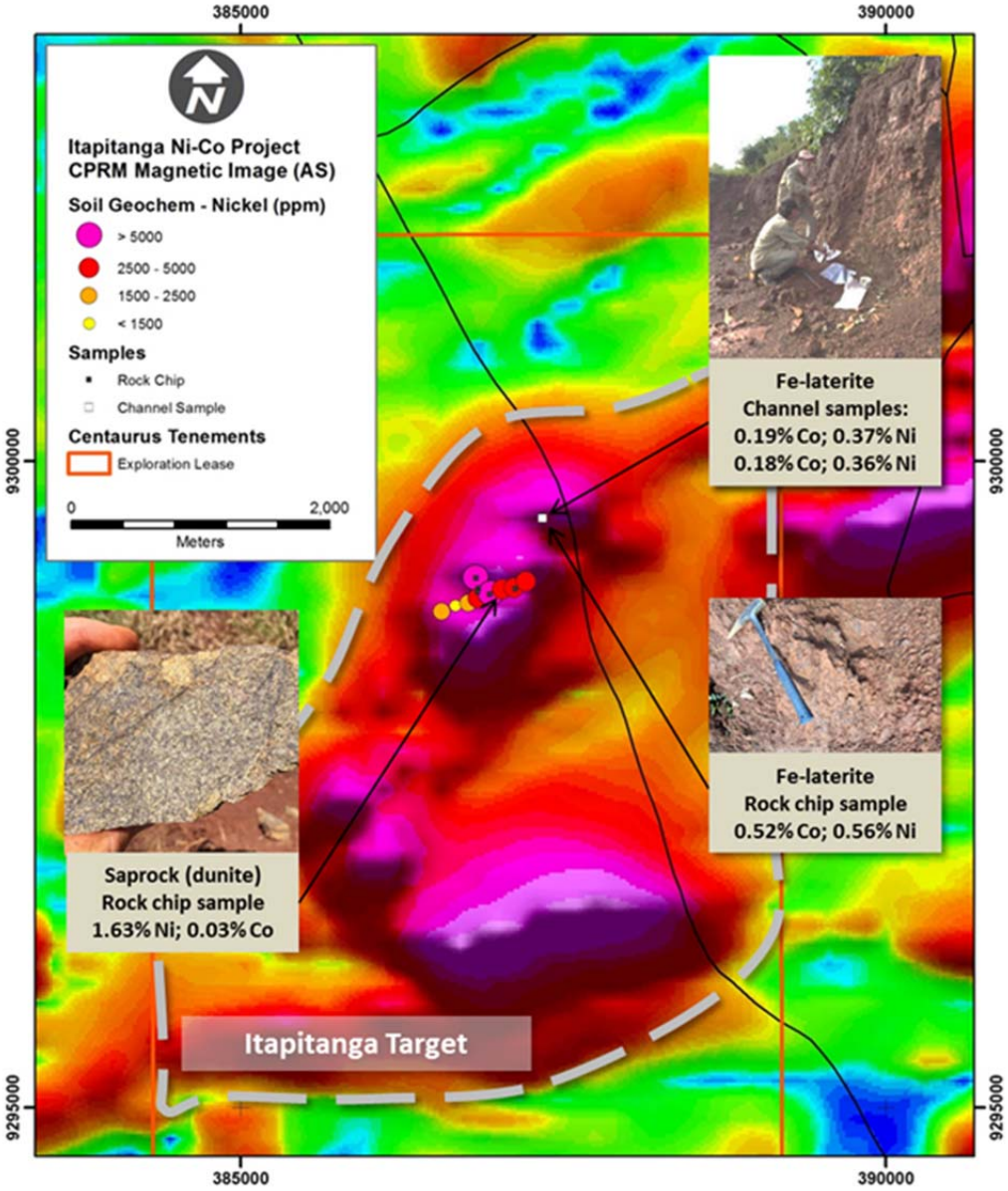
Centaurus' Itapitanga Project tenement area covers 50km^2 of highly prospective ground at the southern extension of the same ultramafic-mafic intrusive complex that hosts both the Jacaré Ni-Co deposit and several unpublished Ni-Co resources held by Vale (Figure 1).

Figure 1 – Location of the newly-acquired Itapitanga Nickel-Cobalt Project. The regional magnetic signature (AS) is coincident with the ultramafic intrusive that hosts the nickel-cobalt mineralisation.



Comprehensive soil sampling and auger drilling over the target area is now underway, with first results expected in the coming weeks. The Company plans to mobilise an RC rig in mid-late March to carry out the maiden drill campaign at the Itapitanga Project.

Figure 2 – The Itapitanga Project: channel and rock chip sample results; overlaying CPRM Regional Magnetic Image (Analytical Signal).



As part of the Company's initial exploration activities, soil sampling along a fence line was also undertaken across a 1km section of the mineralised zone, with samples taken approximately 100-150m apart. The results of this soil sampling demonstrate that the targeted nickel mineralisation coincides well with the magnetic signature, as well as the occurrence of rich limonitic soils.

Highly anomalous nickel (up to 1.12% Ni) and cobalt (up to 0.09% Co), along with chrome and iron (which are additional key pathfinder elements for the cobalt-rich nickel-cobalt laterite mineralisation that the Company is targeting), were identified in the soils collected.

Most of the surface target area is covered by iron-rich limonitic soils, which is where the Company expects to find high-grade cobalt mineralisation. These soils can be clearly seen in the road cutting where the initial channel samples were collected (see photos in Figures 2 and 4).

The highest nickel grades in the rock chips (up to 1.63% Ni) were collected from isolated float of serpentinized dunite (saprock). This is as expected as in laterite deposits nickel grades will generally increase as the profile moves from the cobalt rich Fe-Laterite zones into the nickel rich saprolite mineralisation.

Next Steps

With exploration activities set to ramp-up again significantly over the next two months, the Company has already mobilised its exploration team to the project and a broad soils and auger drilling program is underway. In these sorts of weathering profiles, auger drilling can help to quickly confirm the widths and grade of the mineralisation down to depths of up to 20m, subject to drill-refusal depths. First results from soil sampling and auger drilling are expected in the coming weeks.

Importantly, the exploration work required at the Project can be undertaken immediately, with access not being adversely impacted by the heavy rainfall season currently upon the region. Additionally, relatively low relief and the presence of multiple farm access tracks are favourable for RC drilling, which is planned to start in mid-late March soon after the initial auger drilling results are received.

Concurrently with the extensive work being undertaken now on the Itapitanga Project, the Company continues to plan for its maiden diamond drilling program at its flagship Salobo West Copper-Gold Project, which is scheduled for May/June after the end of the current wet season, and its initial RC drill program at its Pebas Copper-Gold Project – which is planned to start after the first round of RC drilling at Itapitanga is complete.

Management Comment

Centaurus' Managing Director, Mr Darren Gordon, said that first results from the Itapitanga Project were extremely encouraging, clearly demonstrating the potential for the project to host very high-grade cobalt mineralisation in the laterite zone which starts at surface.

"We're very pleased to see the first channel sample results come back with cobalt grades of 0.18-0.19% Co – similar to the grades seen at the world-class Jacaré deposit up the road. Jacaré has one of the highest cobalt grades globally for a large-scale nickel-cobalt laterite deposit, and we're really excited to confirm that we have similar mineralisation on our ground.

"Now it's about working through the exploration work programs to understand exactly what we've got," he said. "Our team is already on the ground carrying out a comprehensive soils grid over the area as well as starting auger drilling that will help us to understand the mineralisation profile.

"Results from these programs will start to come in over the next few weeks and give us the baseline information we need to finalise the maiden drill program planned for mid-late March."

-ENDS-

Released by:
Nicholas Read
Read Corporate
M: +61 419 929 046

On behalf of:
Darren Gordon
Managing Director
Centaurus Metals Limited
T: +618 9420 4000

Competent Person Statement

The information in this report that relates to Exploration Results is based on information compiled by Roger Fitzhardinge who is a Member of the Australasian Institute of Mining and Metallurgy. Roger Fitzhardinge is a permanent employee of Centaurus Metals Limited. Roger Fitzhardinge has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Roger Fitzhardinge consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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

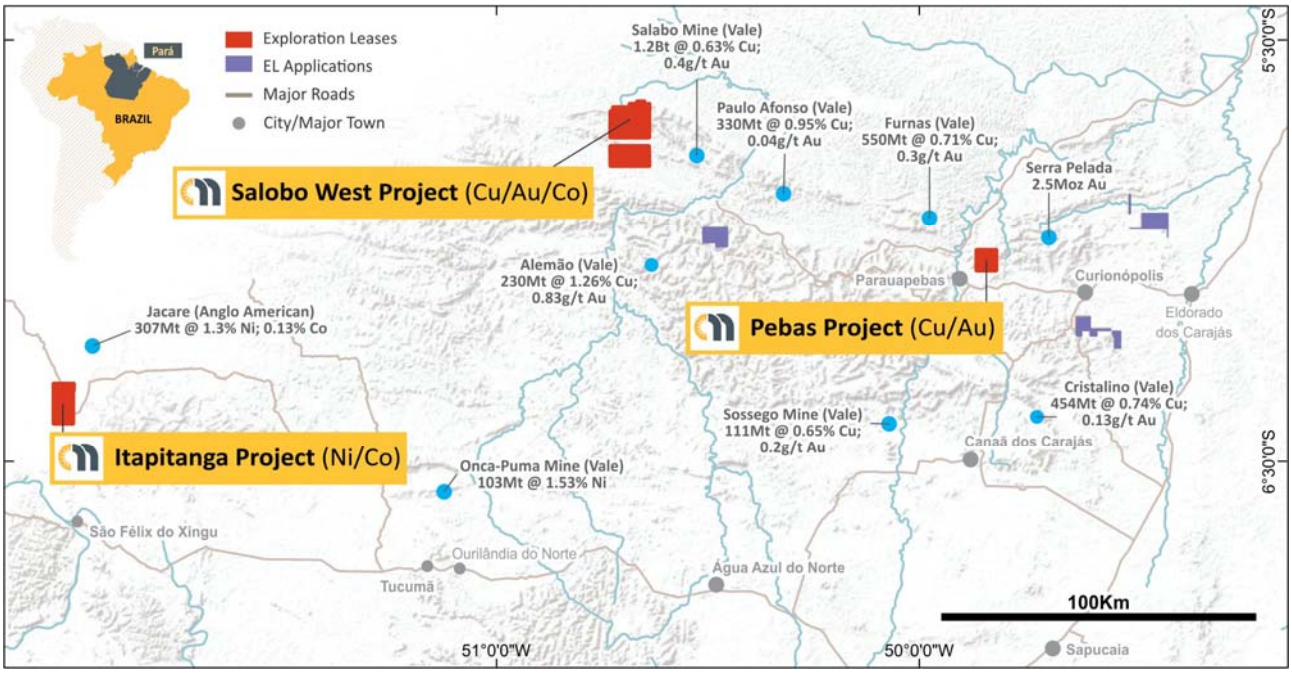


Figure 4 – Photos from the Itapitanga Ni-Co Project; Sampling of channel sample 2801903 (top photos); Auger drilling (bottom left) and soils sampling ahead of imminent rains (bottom right).

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

Sample ID	Easting	Northing	mRl	Sample Type	Sample description	Ni (%)	Co (%)	Sc (ppm)	Fe_2O_3 (%)	MgO (%)	Cr_2O_3 (%)	SiO_2 (%)	Al_2O_3 (%)
2801901	386844	9299012	210	Rock Chip	Serpentinized dunite	**0.44**	**0.01**	3	9.4	33.60	0.82	44.5	0.52
2801902	386824	9299092	208	Rock Chip	Saprolite with Mn and Fe oxides	**0.74**	**0.12**	19	60.2	0.39	4.20	14.0	7.9
2801903	386309	9297689	226	Rock Chip	Ferruginous laterite	**0.44**	**0.01**	43	56.1	0.22	7.15	9.7	12.5
2801904	387341	9299558	216	Channel	Ferruginous laterite	**0.36**	**0.18**	44	60.4	0.16	1.58	10.6	14.0
2801905	387338	9299561	216	Channel	Ferruginous laterite	**0.37**	**0.19**	44	60.2	0.17	1.65	9.8	13.0
2801906	387339	9299559	216	Rock Chip	Ferruginous Laterite; Mn Altn	**0.56**	**0.52**	42	57.8	0.16	1.50	9.6	13.4
2801907	386838	9298987	210	Rock Chip	Serpentinized peridotite	**0.38**	**0.01**	5	9.4	36.90	0.02	41.8	0.1
2801908	386932	9298966	212	Rock Chip	Serpentinited dunite	**1.63**	**0.03**	6	13.6	31.20	1.86	37.5	1.0
2801909	387129	9299007	214	Rock Chip	Serpentinized peridotite	**0.45**	**0.01**	5	8.9	32.20	1.20	45.1	1.2
2800001	386559	9298834	206	Soil	Limonitic Soil	**0.22**	**0.02**	29	35.3	0.51	3.85	35.9	14.2
2800002	386664	9298880	209	Soil	Limonitic Soil	**0.22**	**0.02**	31	35.4	0.58	4.15	30.3	16.4
2800003	386765	9298897	210	Soil	Limonitic Soil	**0.28**	**0.03**	43	33.0	0.58	3.26	28.0	19.3
2800004	386822	9299097	208	Soil	Limonitic Soil	**1.12**	**0.06**	22	56.2	1.41	3.87	20.7	7.6
2800005	386840	9298938	209	Soil	Limonitic Soil	**0.58**	**0.07**	15	47.6	1.40	8.29	24.5	9.1
2800006	386939	9298973	212	Soil	Limonitic Soil	**0.76**	**0.09**	24	56.3	1.68	8.36	17.0	7.8
2800007	387028	9299005	212	Soil	Limonitic Soil	**0.56**	**0.07**	20	54.2	1.01	4.70	22.9	9.1
2800008	387118	9299017	213	Soil	Limonitic Soil	**0.40**	**0.06**	22	54.8	0.79	5.01	18.1	11.3
2800009	387211	9299065	215	Soil	Limonitic Soil	**0.52**	**0.06**	28	50.4	1.05	3.72	19.5	13.7

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

Criteria	Commentary
Sampling techniques	• Soil samples were collected at roughly 100-150m intervals along a fence line oblique to the mineralisation. Surface material was first removed and sample holes were dug to roughly 30cm depth. A 2-3kg sample was taken from the subsoil. The sample was placed in a plastic sample bag with a sample tag before being sent to the lab. • Surface rock chip/soil samples were collected from in situ outcrops and rolled boulders for chemical analysis. • Channel samples were taken at a road cutting site vertically across the profile. The channel sample height was 2.5m, approximately 3-5kg of sample was collected.
Drilling techniques	• No drilling has been completed.
Drill sample recovery	• Not applicable.
Logging	• All outcrop and soil sample points were registered and logged in the Centaurus geological mapping points database.
Sub-sampling techniques and sample preparation	• All geological samples were received and prepared by SGS Geosol Laboratories in Parauapebas, Brazil as 0.5-5kg samples. They were dried at 105°C until the sample was completely dry (6-12hrs), crushed to 90% passing 3mm and reduced to 200-300g. The samples were pulverised to 95% passing 150µm and split further to 50g aliquots for chemical analysis.
Quality of assay data and laboratory tests	• Chemical analysis for metal oxides is determined using XRF analysis (XRF79C). Fusion disks are made with pulped sample and the addition of a borate based flux. Analysis at SGS is for a 12 element suite. LOI using loss determination by thermo-gravimetric analysis at 1000°C. • Chemical analysis was completed for gold by fire assay and ICP for limit of 0.001ppm as well as multi element using ICP (IC40B) for select samples. • SGS Geosol Laboratories insert their own standards at set frequencies and monitor the precision of the XRF and ICP analysis. These results reported well within the specified 2 standard deviations of the mean grades for the main elements. • Additionally the labs perform repeat analyses of sample pulps at a rate of 1:20 (5% of all samples). These compare very closely with the original analysis for all elements. • Laboratory procedures are in line with industry standards.
Verification of sampling and assaying	• All samples were collected by Centaurus field geologists. All assay results were verified by alternative Company personnel and the Competent Person before release.
Location of data points	• The survey grid system used is SAD-69 22S. This is in line with Brazilian Mines Department requirements. No mapping points are reported.
Data spacing and distribution	• Initial soil samples were collected on 100-150m spacing along a fence line. • In future soils sampling will be conducted on 200-400m line spacing with 50m between samples. • Sample locations reported in this announcement were surveyed using hand held GPS. • No sample composting has been applied.
Orientation of data in relation to geological structure	• The extent and orientation of the mineralisation was interpreted based on initial field mapping and regional geophysical interpretations.
Sample security	• All samples were placed in plastic sample bags and then numbered. Bags are sealed and placed in larger bags (10 samples per bag) and then transported to the SGS Geosol laboratories in Parauapebas, PA. Sample request forms are sent with the samples and via email to the labs. Samples are checked at the lab and a work order is generated by the lab which is checked against the sample request.
Audits or reviews	• The Company is not aware of any audit or review that has been conducted on the project to date.

SECTION 2 REPORTING OF EXPLORATION RESULTS

Criteria	Commentary
Mineral tenement and land tenure status	• The Itapitanga project includes one exploration licence 850.475/2016, for a total area of circa 50km^2. • The tenements are part of an agreement where Centaurus will pay R$150k (~A$60k) over six months and commit to undertake R$150k (~A$60k) of exploration work over this same time period. At the end of the period, it will pay the vendor R$500k (~A$200k). Further, assuming Centaurus continues with the project, it will make milestone payments to the vendor of R$1 million (~A$400,000) on definition of a JORC Resource and R$1.5 million (~A$600,000) on the grant of a Mining Lease by the Brazilian Mines Department (DNPM). • All mining projects in Brazil are subject to a CFEM royalty, a government royalty of 2% on base metals revenues. • Landowner royalty is 50% of the CFEM royalty. • The project is located primarily in farming land. The Company is working to expedite the permit to drill license with local authorities.
Exploration done by other parties	• The company is not aware of any historical exploration.
Geology	• The Itapitanga Project forms part of the southern extension of the ultramafic-mafic intrusive complex (2.8Ga) that intrudes the Archean Xingu basement granites in the western region of the Carajás Mineral Province. • Nickel-cobalt laterite mineralisation generally occurs from surface and is associated with the ferruginous laterite of the ultramafic protore. Nickel mineralisation is associated with the saprolite that underlies the ferruginous laterite.
Drill hole Information	• Not applicable.
Data aggregation methods	• Not applicable.
Relationship between mineralisation widths and intercept lengths	• Not applicable.
Diagrams	• Refer to Figures 1-4.
Balanced reporting	• All exploration results received by the Company to date are included in this report or can be referenced in previous ASX releases.
Other substantive exploration data	• The Company is working with the CPRM geological and geophysical regional data set (Carajás – Área I (1047)).
Further work	• The Company mobilized its field team to the Itapitanga project to carry out survey line clearing, geological mapping, soils geochemical sampling and auger drilling.