CENTURION MINERALS LTD

Financial Statements

For the year-ended July 31, 2016

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Independent Auditor's Report

To the shareholders of Centurion Minerals Ltd.

We have audited the accompanying financial statements of Centurion Minerals Ltd., which comprise the statements of financial position as at July 31, 2016 and 2015, and the statements of comprehensive loss, change in equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Centurion Minerals Ltd. as at July 31, 2016 and 2015 and the results of its financial performance and its cash flows for the years then ended, in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which indicates that the Company has incurred a net loss of $1,395,543 and has an accumulated deficit of $20,051,665 since inception. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern.

(signed) "BDO CANADA LLP"

Chartered Professional Accountants

Vancouver, British Columbia
November 25, 2016

Centurion Minerals Ltd

Statements of Financial Position
For the years ended July 31, 2016 and 2015
(Expressed in Canadian dollars)

	Note	July 31, 2016	July 31, 2015
Current assets			
Cash		$ 173,160	$ 4,226
Excise taxes and receivable		27,285	1,399
Prepaid expenses and deposits		72,021	1,352
		272,466	6,977
Non-current assets			
Property and equipment		-	426
Exploration and evaluation assets	4	2	2
		2	428
Total assets		$ 272,468	$ 7,405
Current liabilities			
Accounts payable and accrued liabilities		$ 348,943	$ 623,143
Due to related parties	9	242,757	401,204
Short-term loan	5	288,204	135,000
Total liabilities		879,904	1,159,347
Shareholders' deficit			
Share capital	6	13,473,243	12,019,825
Shares to be issued		-	5,000
Share option reserve		2,276,498	2,276,498
Share warrant reserve		3,694,488	3,202,857
Deficit		(20,051,665)	(18,656,122)
		(607,436)	(1,151,942)
Total liabilities and Shareholders' deficit		$ 272,468	$ 7,405

Approved by the Board:

"David Tafel"
Director

"Kenneth A Cawkell"
Director

Centurion Minerals Ltd

Statements of Comprehensive Loss
For the years ended July 31, 2016 and 2015
(Expressed in Canadian dollars)

	Note		2016		2015
Operating expenses					
Accounting		$	36,503	$	25,430
Administration	9		114,300		108,000
Consulting			76,903		43,247
Depreciation			-		1,161
Filing fees & communications			189,401		31,419
Foreign exchange loss			5,604		1,188
Insurance			13,267		4,182
General exploration expenditures	4		583,133		76,130
Legal	9		44,498		12,854
Loss on debt settlement	6		139,341		-
Office & miscellaneous			12,989		11,016
Rent			28,197		16,547
Stock-based compensation			-		1,483
Telephone			11,360		4,665
Travel			27,097		37,546
Wages			112,950		16,800
Net loss and comprehensive loss		**$**	**(1,395,543)**	**$**	**(391,668)**
Basic and diluted earnings per common share	8	$	(0.07)	$	(0.03)
Weighted Average number of shares outstanding			20,218,277		12,169,322

The accompanying notes form an integral part of these financial statements

Centurion Minerals Ltd

Statements of Change in Equity
For the years ended July 31, 2016 and 2015
(Expressed in Canadian dollars)

	Note	Number of Common Shares	Share Capital	Shares to be issued	Share option reserve	Share warrant reserve	Deficit	Total Shareholders' Deficit
Balance at August 1, 2014		11,704,452	$ 11,952,438	$ -	$ 2,275,015	$ 3,007,589	$ (18,264,454)	$ (1,029,412)
Comprehensive loss		-	-	-	-	-	(391,668)	(391,668)
Issue of shares for cash on private placement		1,109,600	277,400	-	-	-	-	277,400
Value attributable to warrants issued in private placement			(195,268)	-	-	195,268	-	-
Share-based compensation costs		-	-	-	1,483	-	-	1,483
Share issue costs		-	(14,745)	-	-	-	-	(14,745)
Proceeds from subscriptions payable		-	-	5,000	-	-	-	5,000
Balance at July 31, 2015		**12,814,052**	**$ 12,019,825**	**$ 5,000**	**$ 2,276,498**	**$ 3,202,857**	**$ (18,656,122)**	**$ (1,151,942)**
Balance at August 1, 2015		12,814,052	$ 12,019,825	$ 5,000	$ 2,276,498	$ 3,202,857	$ (18,656,122)	$ (1,151,942)
Comprehensive loss		-	-	-	-	-	(1,395,543)	(1,395,543)
Issue of shares for cash on private placement		21,004,820	1,315,241	(5,000)	-	-	-	1,310,241
Share subscriptions receivable		(2,600,000)	(130,000)	-	-	-	-	(130,000)
Value attributable to warrants issued in private placement		-	(487,071)	-	-	487,071	-	-
Share issue costs		-	(32,446)	-	-	4,560	-	(27,886)
Issue of shares for debt	6	3,483,531	487,694	-	-	-	-	487,694
Issue of shares for properties	6	2,000,000	300,000	-	-	-	-	300,000
Balance at July 31, 2016		**36,702,403**	**$ 13,473,243**	**$ -**	**$ 2,276,498**	**$ 3,694,488**	**$ (20,051,665)**	**$ (607,436)**

All references to common shares and per share amounts have been retroactively restated to reflect the share consolidation as outlined in Note 5.

The accompanying notes form an integral part of these financial statements

Centurion Minerals Ltd
Statements of Cash Flows
(Expressed in Canadian Dollars)
For the years ended July 31, 2016 and 2015

	Note		2016		2015
Cash flows from operating activities					
Net loss		$	(1,395,543)	$	(391,668)
Adjustments to non-cash items					
Depreciation and amortization			-		1,161
Write off property and equipment			426		-
Stock-based compensation			-		1,483
Loss on debt settlement	6		139,341		-
Shares for properties	6		300,000		-
Changes in non-cash working capital					
Decrease (increase) in excise tax and receivable			(25,886)		6,517
Decrease (increase) in prepaid expenses and deposits			(70,669)		167
Increase in trade and other payables			227,357		43,245
Increase (decrease) in payable to related parties			(158,447)		70,902
Net cash flows used in operating activities			(983,421)		(268,193)
Cash flows from financing activities					
Proceeds from issuance of shares	6		1,180,241		277,400
Share issuance costs			(27,886)		(14,745)
Proceeds from subscriptions received			-		5,000
Net cash from financing activities			1,152,355		267,655
Increase (Decrease) in cash			168,934		(538)
Cash, beginning of period			4,226		4,764
Cash, end of period		$	173,160	$	4,226

The accompanying notes form an integral part of these financial statements

1. NATURE OF OPERATIONS

Centurion Minerals Ltd (the "Company" or "Centurion") is in the business of mineral exploration. The Company was incorporated on March 11, 2005 under the laws of the Province of British Columbia as 0718918 B.C. Ltd. The Company changed its name to Centurion Minerals Ltd on November 28, 2005. The address of the Company's corporate office and principal place of business is Suite 520, 470 Granville Street, Vancouver, British Columbia, Canada. The Company is listed on the TSX Venture Exchange, having the symbol CTN, as a Tier 2 mining issuer and is in the process of exploring its mineral properties.

The Company is primarily engaged in the acquisition and exploration of mineral properties. To date, the Company has not earned significant revenues and is considered to be in the exploration and evaluation stage.

Going Concern

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for at least the next twelve months and will be able to realize its assets and discharge its liabilities in the normal course of operations.

Several adverse conditions may cast significant doubt about the Company's ability to continue as a going concern. The Company is in the exploration stage and, accordingly, has not yet commenced revenue-producing operations. As at July 31, 2016, the Company has accumulated losses of $20,051,665 since inception and will continue to incur further losses in the development of its business. The ability of the Company to continue as a going-concern depends upon its ability to develop profitable operations and to continue to raise adequate financing required to maintain its operations, and to ultimately attain future profitable operations. Management expects the Company to continue as a going concern and plans to meet any financing requirements through equity financing and seeking other business opportunities to expand the Company's operations. The outcome of these matters cannot be predicted at this time and there are no assurances that the Company will be successful in achieving its goals. The consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

The application of the going concern concept is dependent upon the Company's ability to satisfy its liabilities as they become due and to obtain the necessary financing to complete the exploration and development of its mineral property interests, the attainment of profitable mining operations through its Joint Venture in Argentina, or the receipt of proceeds from the disposition of its mineral property interests. Management is actively engaged in the review and due diligence on opportunities of merit in the mining sector and is seeking to raise the necessary capital to meet its funding requirements. There is, primarily as a result of the conditions described above, significant doubt as to the appropriateness of the use of the going concern assumption.

The Company is not expected to be profitable during the ensuing twelve months and therefore must rely on securing additional funds from either equity financing or loan from shareholders or directors for cash consideration, and while the Company has been successful at raising funds, there is no assurance that it will continue to generate sufficient funds for future operations.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

These financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC").

The accounting policies, set out below, have been applied consistently to all periods presented in these financial statements.

The policies applied in these financial statements are based on IFRS issued and effective as of July 31, 2016. The Board of Directors approved the financial statements on November 25, 2016.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

These financial statements have been prepared on a historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Functional Currency

The functional currency is the currency of the primary economic environment in which the Company operates, which is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, The Effects of Changes in Foreign Exchange Rates.

Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the date of the transactions. At year-end, foreign currency denominated monetary assets and liabilities are translated to the functional currency using the prevailing rate of exchange at the year-end. Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items at year-end exchange rates are recognized in profit and loss.

Assets and liabilities of operations having a functional currency other than the Canadian dollar are translated at the rate of exchange at the reporting date. Revenues and expenses are translated at average rates for the periods, unless exchange rates fluctuated significantly during the period, in which case the exchange rates at the dates of the transactions are used. The resulting foreign currency translation adjustments are recognized in other comprehensive income (“OCI”).

Critical Accounting Estimates and Judgments

The preparation of financial statements in conformity with IFRS requires management to make certain estimates and apply judgment affecting the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of expenses during the reporting period.

The areas involving a higher degree of judgement of complexity, or areas where assumptions and estimates are significant to the financial statements are:

Exploration and Evaluation Assets

The application of the Company’s accounting policy for exploration and evaluation assets requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates made may change if new information becomes available. If, after an expenditure is capitalized, information becomes available suggesting that the recovery of such expenditure is unlikely, the amount capitalized is written off in the statement of loss and comprehensive loss in the period the new information becomes available.

Share-Based Payments

Estimating fair value for share-based payment transactions requires the determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This requires the estimation of inputs to the valuation model including the expected life of the stock option, volatility, dividend yield, and forfeiture rate. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 5.

Fair Value of Derivative Financial Instruments

Pursuant to the Joint Venture Agreement between the Company and Demetra Minerals Inc. (“Demetra”) dated January 28, 2016, the Company is party to both a call and a put option that are derivative financial instruments designated at fair value through profit and loss. Management has applied judgement in the determination of the fair value of these instruments, including consideration of uncertainty related to the realization of events required to materialize for these options to be exercisable by either party.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash

Cash includes cash on hand and deposits held at call with banks.

Joint Venture

Pursuant to IFRS 11, Joint Arrangements, the Company is required to classify its interest in a joint arrangement as a joint venture or joint operation. A joint venture will be accounted for using the equity method of accounting, whereas a joint operation will recognize the venturer's share of the assets, liabilities, revenue and expenses of the joint operation.

Mineral Exploration and Evaluation Expenditures

Costs incurred with respect to the Company's mineral properties, including acquisition costs, are expensed as incurred until the technical feasibility and commercial viability of extracting the mineral resource has been determined. Once technical feasibility and commercial viability of the mineral resource is determined, only costs directly related to E&E expenditures are capitalized. Costs not directly attributable to E&E activities are expensed in the year in which they occur.

When a project is deemed to no longer have commercially viable prospects to the Company, capitalized E&E expenditures in respect of that project are deemed to be impaired and evaluation exploration in excess of the estimated recoverable amount are written off to the statement of comprehensive loss.

The Company assesses each significant asset for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. These assessments require the use of estimates and assumptions such as long-term commodity prices, discount rates, future capital requirements, exploration potential and operating performance.

Restoration, Rehabilitation and Environmental Obligations

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either a unit-of-production or the straight-line method as appropriate. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage that is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses.

The Company has no material restoration, rehabilitation and environmental costs as at July 31, 2016 and July 31, 2015 as the disturbance to date is minimal.

Income Taxes

Income tax expense is comprised of current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive income (loss).

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes (continued)

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Share-Based Payments

The fair value of the share option reserve for employees at the date of grant is recognized as an expense over the vesting period with a corresponding increase in share option reserve. An individual is classified as an employee when the individual is an employee for legal or tax purposes or provides services similar to those performed by a direct employee, including directors of the Company.

In situations where share options are issued to non-employees and some or all of the goods or services received by the Company as consideration cannot be specifically identified, the unidentified goods or services received (or to be received) are measured as the difference between the fair value of the share-based payment transaction and the fair value of any identified goods or services received at the grant date.

The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. At the end of each reporting period, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. Stock option expense incorporates an expected forfeiture rate.

All equity settled share-based payments are reflected in reserves, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in reserves is credited to share capital, adjusted for any consideration paid.

The Company’s policy related to share-based payments equally applies to the methods used to calculate the fair value of warrants.

Share Capital

The proceeds from the exercise of stock options, warrants and escrow shares are recorded as share capital in the amount for which the option, warrant or escrow share enabled the holder to purchase a share in the Company.

Commissions paid to agents, and other related share issue costs are charged directly to share capital.

Loss per Share

Basic loss per share is calculated using the weighted average number of common shares outstanding during the period. The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method, the dilutive effect on earnings per share is calculated presuming the exercise of outstanding options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to repurchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive.

Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

The Company had no material provisions at July 31, 2016 and July 31, 2015.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Instruments

Financial Assets

All financial assets are recognized and derecognized on the trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the time frame established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss which are initially measured at fair value.

Financial assets are classified into the following categories: financial assets and derivatives ‘at fair value through profit or loss’ (“FVTPL”), ‘held-to-maturity investments‘, ‘available-for-sale‘ financial assets and ‘loans and receivables‘. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The Company’s financial assets, loans and receivables, are subsequently carried at amortized cost, using the effective interest method, less any impairment loss

Financial Liabilities

Financial liabilities are classified as either financial liabilities or derivatives ‘at FVTPL’ or ‘other financial liabilities’.

Other Financial Liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest recognized on an effective yield basis. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or (where appropriate) to the net carrying amount on initial recognition.

De-recognition of financial liabilities:

The Company derecognizes financial liabilities when the obligations are discharged, cancelled or expire.

Derivative Financial Instruments

The Company has issued derivative financial instruments in connection with the Ana Sofia Joint Venture Agreement (Note 4). An embedded derivative is separated from its host contract and accounted for as a derivative only when three criteria are satisfied:

1) When the economic risks and characteristics of the embedded derivative are not closely related to those of the host contract;
2) A separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and
3) The entire instrument is not measured at fair value with changes in fair value recognized in the consolidated statements of profit or loss and other comprehensive loss.

The Company designates embedded derivatives as FVTPL on initial recognition with those instruments measured at each reporting period using an appropriate valuation model with changes in the fair value being recognized immediately in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Instruments (Continued)

The Company's financial instruments consist of the following:

Financial assets:	Classification:
Cash	Loans and receivables
Accounts receivable	Loans and receivables
Derivative call option	Fair Value Through Profit and Loss

Financial liabilities:	Classification:
Amounts payable and accrued liabilities	Other financial liabilities
Due to related party	Other financial liabilities
Short-term loan	Other financial liabilities
Derivative put option	Fair Value Through Profit and Loss

The carrying values of cash, receivable, accounts receivable, accounts payable and accrued liabilities, due to related party, short-term loan and long-term payable, approximate their fair values due to the short term nature of these financial instruments.

Impairment of Financial Assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the financial assets have been negatively impacted. Evidence of impairment could include:

1) Significant financial difficulty of the issuer or counterparty;
2) Default or delinquency in interest or principal payments; or
3) The likelihood that the borrower will enter bankruptcy or financial re-organization.

The carrying amount of a financial asset is reduced by any impairment loss directly for all financial assets with the exception of amounts receivable, where the carrying amount is reduced through the use of an allowance account. When an account receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to income. Changes in the carrying amount of the allowance account are recognized in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through the statement of income (loss) and comprehensive income (loss) to the extent that the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial Instruments Recorded at Fair Value

Financial instruments recorded at fair value on the Statements of Financial Position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's derivative financial instruments (Note 4) are valued based on level 3 valuation techniques.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Standards, Amendments and Interpretations Not Yet Effective

The following standards, interpretations and amendments, which have not been applied to these financial statements, will or may have an effect on the Company's future financial statements. The Company is in the process of evaluating these new standards:

IFRS 9 – Financial Instruments, Classification and Measurement is part of the IASB's wider project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after January 1, 2018. The Company is in the process of evaluating the impact of the new standard.

IFRS 15 – Revenue from Contracts with Customers establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15 revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach to measuring and recognizing revenue. The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IFRS. Either a full or modified retrospective application is required for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company is in the process of evaluating the impact of the new standard.

IFRS 16 – Leases eliminates the classification of leases as either operating or finance leases for a lessee. Instead all leases are capitalized by recognizing the present value of lease payments and recognizing an asset and a financial liability representing an obligation to make future lease payments. The principles in IFRS 16 provide a more consistent approach to acquiring the use of an asset whether by leasing or purchasing the asset. The new leasing standard is applicable to all entities and will supersede current lease accounting standards under IFRS. Prospective application is required is required beginning on or after January 1, 2019 with early adoption permitted only if an entity early adopts IFRS 15 as well. The Company is in the process of evaluating the impact of the new standard.

3. CAPITAL MANAGEMENT, FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company manages its capital structure and makes adjustments to it based on the funds available to the Company in order to support future business opportunities. The Company defines its capital as shareholders' equity. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to manage its capital to be able to sustain the future development of the Company's business.

The Company currently has no source of revenues, and therefore is dependent upon external financings to fund activities. In order to carry future projects and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the year ended July 31, 2016. The Company is not subject to externally imposed capital requirements.

General Objectives, Policies and Processes:

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

3. CAPITAL MANAGEMENT, FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Market Risk

Market risk is the risk that the fair value of future cash flows will fluctuate due to changes in market prices. Market prices are comprised of three types of risk: foreign currency risk, interest rate risk, and commodity price risk.

Foreign Currency Risk

Foreign currency risk is the risk that future cash flows will fluctuate as a result of changes in foreign currency rates. The Company does not hold significant amounts of cash or other financial instruments in a foreign currency. The Company forwards, on an as-needed basis, pre-approved budgeted amounts for the Ana Sofia Agricultural Gypsum Project Operator, Demetra Fertilizantes S.A. (DFSA). Such funds are transferred in United States Dollars (USD) and are immediately converted to Argentine Peso (ARS) upon receipt by DFSA. Funds are deployed by DFSA on a weekly basis, as such; the Company is not exposed to significant foreign currency risk.

Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company's current policy is to invest excess cash in certificates of deposit or interest bearing accounts of major Canadian chartered banks. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its financial institutions.

Commodity Price Risk

The Company is exposed to price risk with respect to commodity prices. As of July 31, 2016, the Company is not a revenue producing entity. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments, which are potentially subject to credit risk for the Company, consist primarily of cash. Cash is maintained with financial institutions of reputable credit and is redeemable upon demand.

As at July 31, 2016 the Company has an $18,069 outstanding receivable due from Falcon Gold Corp (TSX-V: FG). Falcon Gold Corp. is a corporation sharing common management, directors and office space with the Company. Management assesses the credit risk associated with the Falcon Gold Corp. receivable on an annual basis, and expects that Falcon Gold Corp. will meet its payable requirements to the Company.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it has sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections. If future cash flows are fairly uncertain, the liquidity risk increases.

Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 90 days. To achieve this objective, the Company prepares annual capital expenditure budgets, which are regularly monitored and updated as considered necessary. Further, the Company utilizes authorizations for expenditures on exploration projects to further manage expenditure.

The Company monitors its risk of shortage of funds by monitoring the maturity dates of existing trade and other accounts payable.

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION EXPENDITURE

Expenditures During The Period

The Company's exploration and evaluation expenses for the years-ended July 31, 2016 and July 31, 2015 are summarized as follows:

Exploration and Evaluation Expenses for the year-ended July 31, 2016		Argentina		Indonesia		Myanmar		Total
Due Diligence	$	15,309	$	12,999	$	-	$	28,308
Shares Issued for Mineral Properties		300,000		-		-		300,000
Test-pitting/Trenching		27,153		-		-		27,153
Geological Consulting Fees and Labour		82,272		19,752		-		102,024
Equipment and Project Site Rentals		37,719		-		-		37,719
Land Use Permitting		1,872		-		-		1,872
Field Administration		77,886		8,171		-		86,057
	$	**542,211**	**$**	**40,922**	**$**	**-**	**$**	**583,133**

Exploration and Evaluation Expenses for the year-ended July 31, 2015		Argentina		Indonesia		Myanmar		Total
Due Diligence	$	-	$	-	$	36,156	$	36,156
Assays & Analysis		-		-		969		969
Geological Consulting Fee		-		-		39,005		39,005
	$	**-**	**$**	**-**	**$**	**76,130**	**$**	**76,130**

The Company's capitalized expenses, by reporting segment, are summarized as follows:

Capitalized Expenditures for the year-ended July 31, 2016		Canada		Argentina		Indonesia		Total
Property and equipment	$	-	$	-	$	-	$	-
Exploration & evaluation assets		-		-		2		2
	$	-	$	-	$	2	$	2

Capitalized Expenditures for the year-ended July 31, 2015		Canada		Argentina		Indonesia		Total
Property and equipment	$	426	$	-	$	-	$	426
Exploration & evaluation assets	$	-	$	-	$	2	$	2
	$	426	$	-	$	2	$	428

Title to Mineral Property Interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

4. EXPLORATION AND EVALUATION EXPENDITURE (CONTINUED)

Expenditures During The Period (Continued)

Operating Segments

The Company operates in one industry segment, mineral exploration, within three geographic areas: Canada, Argentina, and Indonesia. In prior years the Company pursued exploration activity in Myanmar, however, as at July 31, 2016, the Company had ceased all activity in the country. It is unlikely the Company will undertake any near term expenditures on exploration and evaluation of mineral properties in Myanmar.

Management monitors the operating results of its operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the financial statements. However, the Company's financing (including finance costs and finance income) and income taxes are managed on a company basis and are not allocated to operating segments.

Ana Sofia Joint Venture Agreement (Ana Sofia Project, Santiago del Estero Province, Argentina)

On January 28, 2016, the Company executed a definitive joint venture agreement (the "Agreement") with Demetra Minerals Inc. ("Demetra") to develop the Ana Sofia agricultural gypsum project in Santiago del Estero province, Argentina. Demetra is a privately held, Vancouver-based agri-mining company and the beneficial owner of 100% interest in the Ana Sofia property. It has been focused on identifying, developing and marketing calcium sulfate, a mineral fertilizer and soil conditioner (also known as agricultural gypsum) for the markets of Argentina, Paraguay, Bolivia, Brazil and Chile. As defined in the Agreement:

1) Centurion issued 2,000,000 common shares to Demetra as consideration for the acquisition of its 50% interest in the Ana Sofia project;
2) Demetra was appointed as the operator of the Project;
3) The Management Committee of the Joint Venture consists of 5 members - 3 Centurion nominees and 2 Demetra nominees, where a Demetra nominee also serves as an Officer of Centurion;
4) Provided that the Joint Venture achieves production, or after Centurion has expended US$4 million in development costs, both parties shall have the right to call for an amalgamation, which would be subject to a shareholder's vote. Centurion shall have the right to acquire 100% of Demetra by issuing 23,319,744 common shares. In addition, the Company shall set aside 10.45 million preferred shares for the Demetra founders, convertible into common shares on achievement of certain production milestones. Should Centurion spend US$6 million in development costs prior to amalgamation, all further costs shall be borne equally by the JV partners.

Ana Sofia comprises two mining concessions totaling 50 hectares (ha) in size and approximately 500 ha of exploration rights located 50 kilometers west of the provincial capital city of Santiago del Estero in northwestern, Argentina. Exploration work by Demetra, including trenching and sampling has identified multiple high grade, near surface gypsum beds. Demetra has been issued two mining permits and has received environmental and export approvals from the provincial and federal authorities.

The right in the Agreement of each of the Company and Demetra to call for an amalgamation represent a call and a put option that are derivative financial instruments designated at fair value through profit and loss. Primarily due to the high level of uncertainty regarding the circumstances in connection with the circumstances that trigger the exercise of these derivatives, management has determined that the value of both of these derivatives cannot be reliably measured either at initial recognition or at July 31, 2016 and thus have been assigned a value of $nil at initial recognition and through the balance of the period.

4. EXPLORATION AND EVALUATION EXPENDITURE (CONTINUED)

Kamona Agreement (Miwah Prospect, Aceh Province, Northern Sumatra, Indonesia)

On October 25, 2010, the Company executed a binding Letter of Agreement (the "Agreement") with PT Bayu Kamona Karya ("Kamona"), the Indonesian company which holds the Mining Exploration Permit ("IUP") on the property that hosts the Miwah epithermal gold deposit in Aceh, Sumatra, Indonesia. Kamona maintains a 100% interest in the Miwah project, which is currently subject to an exploration program being conducted by East Asia Minerals Corporation that has an opportunity to earn an 85% interest in the project subject to completing a feasibility study. Pursuant to this Agreement, the Company will have the right of first refusal to provide the necessary funding to satisfy the financial obligations associated with the Kamona IUP property agreements. Kamona's intention is to maintain a minimum 15% interest in the Miwah project and participate in any future mine development. In exchange for this funding, the Company will receive 72% of the benefit that the IUP holder receives both directly and indirectly from the joint venture company formed with respect to the Miwah Property. To maintain the right of first refusal, and to enable Kamona to prepare its development participation, an initial series of staged payments was to be completed.

The Kamona IUP expired in November 2012; however, in October, 2013 East Asia Minerals Corporation obtained an extension until November 30, 2015 and is in discussions with the Regency for additional extensions. The Company is uncertain if the licenses remain in good standing at the current date. Due to this uncertainty, the lack of activity on the project by East Asia Minerals and Kamona and a lengthy downturn in the mining market, the Company decided to write down the costs related to this agreement to a nominal value in the 2014 year-end financial statements. As at July 31, 2016 the Company continues to monitor the Miwah IUP status, and the activity on the project by East Asia Minerals, and believes there continues to be an opportunity should the availability of financing return for projects similar to Miwah.

Banda Raya Property, Aceh Province, Northern Sumatra, Indonesia

In May 2010 the Company executed a Joint Venture Agreement whereby the Company holds an 80% joint venture interest in the property, consisting of a 10,000 hectare concession located in Pidie Regency, which has been issued an IUP.

Due to a lack of exploration activity on the Banda Raya project, a lengthy downturn in the mining market, and uncertainty with regard to exploration license renewals on this property and the adjacent Miwah project, the Company has been unable to raise early stage exploration financing for Banda Raya. As such, the Company decided to write down the costs related to this project to a nominal value in the 2014 year-end financial statements. The initial five-year (renewable) IUP term expired in May 2015. As at July 31, 2016 the Company remains in discussions with local authorities responsible for granting IUP's, and the Company will continue to seek a joint venture partner to advance the project.

5. SHORT-TERM LOAN

The Company was advanced an interest free loan of $135,000 during the years ended 2012 and 2013. A facility fee of $25,000 is payable in respect of this advance, which was accrued as at July 31, 2015. The loan is due on demand, is unsecured and remains unpaid at the date of these financial statements.

On December 30, 2015, the Company signed debt acknowledgement agreements formalizing the terms of $153,204 in accounts payable. Terms of the debt are non-interest bearing, unsecured and have no specific terms of repayment.

(Expressed in Canadian Dollars)

6. SHARE CAPITAL

The Company's common shares and share purchase warrants are classified as equity instruments. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Common Shares

The Company is authorized to issue an unlimited number of common shares, issuable in series.

The holders of common shares are entitled to receive dividends which are declared from time to time, and are entitled to one vote per share at meetings of the Company. All shares are ranked equally with regards to the Company's residual assets.

On October 23, 2015, the Company announced that it proposed to consolidate its shares outstanding on a 5 for 1 basis. Particulars of the share consolidation were approved by shareholders at the Company's AGM on October 27, 2015 and became effective as at November 19, 2015. The Company had 64,070,264 common shares issued and outstanding and resulted in post consolidation shares outstanding of 12,814,052. The exercise price and number of common shares issuable pursuant to all outstanding stock options and warrants have been adjusted in accordance with the consolidation ratio.

All references to common shares and per share amounts have been retroactively restated to reflect the share consolidation.

The following is a summary of changes in common share capital:

	Number of Shares	Issue Price		Amount
Balance at August 1, 2014	11,704,452		$	11,952,438
Issue of shares for cash on private placement	1,109,600	$0.25		277,400
Share issue costs	-			(14,745)
Fair value attributable to warrants issued	-			(195,268)
Balance at July 31, 2015	**12,814,052**		**$**	**12,019,825**
Balance at August 1, 2015	12,814,052		$	12,019,825
Issue of shares for cash on private placement	21,004,820	$0.05/0.10		1,315,241
Share subscriptions receivable	(2,600,000)			(130,000)
Share issue costs	-			(32,446)
Fair value attributable to warrants issued	-			(487,071)
Issue of shares for debt	3,483,531	$0.14		487,694
Issue of shares for properties	2,000,000	$0.15		300,000
Balance at July 31, 2016	**36,702,403**		**$**	**13,473,243**

(Expressed in Canadian Dollars)

6. SHARE CAPITAL (CONTINUED)

Common Shares (Continued)

For the year ended July 31, 2016

(a) On December 15, 2015, the Company closed the first tranche of a non-brokered private placement of 4,324,000 units at a price of $0.05 per unit for gross proceeds of $216,200. Each unit consists of one common share and one warrant. The common shares were subject to a four month hold period expiring April 2016. Each warrant is exercisable for one common share at $0.10 for the first year and at $0.15 for the second year following the closing. The Company paid finders' fees of $450 and issued 9,000 non-transferrable finders' warrants. The finders' warrants have the same terms as the warrants issued within the unit. The $86,877 fair value of the warrants, including the finders' warrants, was recorded in warrant reserve, which was determined using the Black-Scholes option pricing model, in which the following assumptions were applied:

Risk-free rate	0.50%
Dividend yield	Nil%
Volatility factor of the expected market price of the Company's common shares	147.35%
Weighted average expected life of the warrants	2.0 years

(b) On January 4, 2016, the Company closed the second tranche of a non-brokered private placement of 916,000 units at a price of $0.05 per unit for gross proceeds of $45,800. Each unit consists of one common share and one warrant. The common shares were subject to a four month hold period expiring May 2016. Each warrant is exercisable for one common share at $0.10 for the first year and at $0.15 for the second year following the closing. The Company paid finders' fees of $1,818. The $18,320 fair value of the warrants was recorded in warrant reserve, which was determined using the Black-Scholes option pricing model, in which the following assumptions were applied:

Risk-free rate	0.45%
Dividend yield	Nil%
Volatility factor of the expected market price of the Company's common shares	146.93%
Weighted average expected life of the warrants	2.0 years

(c) On January 27, 2016, the Company received TSX Venture Exchange approval to issue 3,483,531 shares at a fair value of $487,694 at $0.14 per share to settle outstanding debt for $348,353. The debt has now been reduced. The fair value of the shares issued was determined by reference to the quoted trading price of the Company's shares on the date the shares were issued. The Company recognized a loss of $139,341 on debt settlement. However, both he debt settlement agreements and TSX Venture Exchange approval of the debt settlement was at a deemed value of $0.10 per share. .

(d) On February 5, 2016, the TSX Venture Exchange accepted for filing a Joint Venture Agreement announced January 29, 2016 between the Company, Demetra Minerals Inc. and Demetra Fertilizantes S.A. (the Vendor). The Joint Venture agreement contemplates the exploration, development and commercialization of the Ana Sofia gypsum property located in north-western Argentina, and Centurion has issued 2,000,000 common shares at a fair value of $0.15 per share as consideration. The fair value of the shares issued was determined by reference to the quoted trading price of the Company's shares on the date the shares were issued. However, both the Joint Venture Agreement and TSX Venture Exchange approval of the consideration was at a deemed value of $0.10 per share.

(e) On February 24, 2016, the Company closed a non-brokered private placement of 2,700,000 units at a price of $0.10 per unit for gross proceeds of $270,000. Each Unit consists of one common share and one warrant. The common shares were subject to a four month hold period expiring June 26, 2016. Each warrant is exercisable for one common share at $0.15 for the first year and at $0.20 for the second year following the closing. The $113,063 fair value of the warrants was recorded in warrant reserve, which was determined using the Black-Scholes option pricing model, in which the following assumptions were applied:

Risk-free rate	0.49%
Dividend yield	Nil%
Volatility factor of the expected market price of the Company's common shares	147.58%
Weighted average expected life of the warrants	2.0 years

(Expressed in Canadian Dollars)

6. SHARE CAPITAL (CONTINUED)

Common Shares (Continued)

(f) On July 22, 2016, the Company closed a non-brokered private placement of 10,920,000 units at a price of \$0.05 per unit for gross proceeds of \$546,000. Each Unit consists of one common share and one warrant. The common shares were subject to a four month hold period expiring November 23, 2016. Each warrant is exercisable for one common share at \$0.10 for the first year and at \$0.15 for the second year following the closing. The Company paid finders' fee of \$8,785 and issued 149,800 non-transferrable finders' warrants. The finders' warrants have the same terms as the warrants issued within the unit. The \$228,000 fair value of the warrants, including the finders' warrants, was recorded in warrant reserve, which was determined using the Black-Scholes option pricing model, in which the following assumptions were applied:

Risk-free rate	0.56%
Dividend yield	Nil%
Volatility factor of the expected market price of the Company's common shares	152.61%
Weighted average expected life of the warrants	2.0 years

(g) On July 29, 2016, the Company closed a non-brokered private placement of 4,744,820 units at a price of \$0.05 per unit for gross proceeds of \$237,241. As at July 31, 2016 of the 4,744,820 units issued, proceeds of \$130,000, representing payment for 2,600,000 units, were received subsequent to the year. As at July 31, 2016, common shares outstanding and warrants issued reflect units in which proceeds were actually received. Each Unit consists of one common share and one warrant. The common shares are subject to a four month hold period expiring November 30, 2016. Each warrant is exercisable for one common share at \$0.10 for the first year and at \$0.15 for the second year following the closing. The Company paid finders' fee of \$1,750 and issued 63,000 non-transferrable finders' warrants. The finders' warrants have the same terms as the warrants issued within the unit. The \$45,371 fair value of the warrants, including the finders' warrants, was recorded in warrant reserve, which was determined using the Black-Scholes option pricing model, in which the following assumptions were applied:

Risk-free rate	0.56%
Dividend yield	Nil%
Volatility factor of the expected market price of the Company's common shares	152.38%
Weighted average expected life of the warrants	2.0 years

For the year ended July 31, 2015

(a) On February 10, 2015, the Company closed the first tranche of a non-brokered private placement of 805,600 units at a price of \$0.25 per unit for gross proceeds of \$201,400. Each Unit consists of one common share and one warrant. Each warrant is exercisable for one common share at \$0.50 for a period of two years and will be subject to a four month hold period expiring in June 2015. The Company paid finders' fees of \$8,000. The \$163,784 fair value of the warrants was recorded in warrant reserve, which was determined using the Black-Scholes option pricing model, in which the following assumptions were applied:

Risk-free rate	0.46%
Dividend yield	Nil%
Volatility factor of the expected market price of the Company's common shares	118.63%
Weighted average expected life of the warrants	2.0 years

(b) On April 17, 2015, the Company closed the second tranche of a non-brokered private placement of 304,000 units at a price of \$0.25 per unit for gross proceeds of \$76,000. Each Unit consists of one common share and one warrant. Each warrant is exercisable for one common share at \$0.50 for a period of two years and will be subject to a four month hold period expiring in August 2015. The Company paid finders' fees of \$3,200. The \$31,484 fair value of the warrants was recorded in warrant reserve, which was determined using the Black-Scholes option pricing model, in which the following assumptions were applied:

Risk-free rate	0.49%
Dividend yield	Nil%
Volatility factor of the expected market price of the Company's common shares	110.51%
Weighted average expected life of the warrants	2.0 years

(Expressed in Canadian Dollars)

6. SHARE CAPITAL (CONTINUED)

Share Purchase Warrants

The following is a summary of changes in warrants:

	Number of Warrants		Weighted Average Exercise Price
Balance at August 1, 2014	604,204	$	0.50
Expired	(604,204)		(0.50)
Issued	1,109,600		0.50
Balance at July 31, 2015	**1,109,600**		**0.50**
Balance at August 1, 2015	1,109,600		0.50
Issued	21,226,620		0.11
Outstanding and exercisable as at July 31, 2016	**22,336,220**	$	**0.13**

As at July 31, 2016, the Company had outstanding warrants as follows:

Number of Warrants	Exercise Price per Warrant $	Expiry Date	Weighted Average Remaining Life
805,600	0.50	February 11, 2017	0.53
304,000	0.50	April 17, 2017	0.71
4,333,000	0.10 [1]	December 16, 2017	1.38
916,000	0.10 [1]	January 5, 2018	1.43
2,700,000	0.15 [2]	February 25, 2018	1.57
11,069,800	0.10 [1]	July 22, 2018	1.98
2,207,820	0.10 [1]	July 29, 2018	1.99
22,336,220			**1.72**

[1] After year one of the life of the warrant, the exercise price escalates to $0.15.
[2] After year one of the life of the warrant, the exercise price escalates to $0.20.

(Expressed in Canadian Dollars)

7. SHARE-BASED PAYMENTS

Option Plan Details

As at July 31, 2016 and 2015, the Company maintained an equity settled share-based payment scheme for employee remuneration.

All share-based employee remuneration will be settled in equity and the Company has no legal or constructive obligation to repurchase or settle the options.

The Company issues share purchase options to directors, officers and employees of the Company and persons who provide ongoing services to the Company under an incentive stock option plan. The aggregate number of shares of the Company that may be granted pursuant to the Plan is limited to 10% of the issued and outstanding shares of the Company. The Plan is administered by the Board of Directors, which determines individual eligibility under the Plan, the number of shares optioned to each grantee and the vesting period. The exercise price of share purchase options will be no less than the closing price of the shares on the TSX Venture Exchange on the date on which the option is granted. Options will expire no later than five years from the grant date, except that they will expire within thirty days when the holder is no longer qualified to hold the option (other than for cause, when the option will expire immediately). Options granted to Directors whom are not officers or employees of the Company expire within ninety days from the date of resignation or retirement.

The following is a summary of changes in options:

	Number of Options		Weighted Average Exercise Price
Balance at August 1, 2014	766,200	$	1.29
Expired	(194,400)		(3.01)
Balance at July 31, 2015	**571,800**	**$**	**0.71**
Balance at August 1, 2015	571,800	$	0.71
Expired	(20,000)		(0.50)
Expired	(5,000)		(4.00)
Cancelled	(60,000)		(0.50)
Balance at July 31, 2016	**486,800**	**$**	**0.71**

The following options are outstanding at July 31, 2016:

Number of Options Outstanding and Exercisable		Exercise Price per Option	Expiry Date	Weighted Average Remaining Life
66,800	$	2.00	January 13, 2017	0.45
420,000	$	0.50	January 31, 2019	2.50
486,800				**2.22**

(Expressed in Canadian Dollars)

7. SHARE-BASED PAYMENTS (CONTINUED)

Option Plan Details (Continued)

Options Issued to Employees

The Company has not issued options to employees since the year-ended July 31, 2014. As a policy, the fair value at grant date is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. The following assumptions were used:

	2016	2015	2014
Volatility	Nil	Nil	132%
Risk-free interest rate	Nil	Nil	1.62%
Expected life (years)	Nil	Nil	2-5
Expected dividend yield	Nil	Nil	Nil

8. LOSS PER SHARE

Basic earnings/loss per share is computed by dividing the net income or loss applicable to common shares of the Company by the weighted average number of common shares outstanding for the relative year.

Diluted earnings/loss per common share is computed by dividing the net income or loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted.

Basic loss per share amounts are calculated by dividing the net profit for the year by the weighted average number of ordinary shares outstanding during the year.

	2016	2015
Loss attributable to ordinary shareholders	$ (1,395,543)	$ (391,668)
Weighted average number of common shares	20,218,277	12,169,322
Basic and diluted loss per share	(0.07)	(0.03)

The basic and diluted loss per share is the same as there are no instruments that have a dilutive effect on earnings.

For the year-ended July 31, 2016 common equivalent shares totaling 22,823,020 (2015: 1,681,400) consisting of shares issuable on the exercise of options and warrants have been excluded from the calculation of diluted loss per share because the effect is anti-dilutive.

(Expressed in Canadian Dollars)

9. RELATED PARTY TRANSACTIONS

The following is a summary of the Company's related party transactions for the year-ended July 31, 2016:

(a) (i) Management Services Agreements

Total fees of $114,300 (2015: $108,000) were paid or accrued to directors of the Company for administration services outside their capacity as a director.

(ii) Legal Fees

The Company paid or accrued legal fees of $34,172 (2015: $12,854) to a law firm of which a director of the Company is a partner.

(iii) Accounting fees

The Company paid or accrued accounting fees of $12,000 (2015: $Nil) to a company owned by an officer of the Company.

(iv) Consulting fees

The Company paid or accrued consulting fees of $5,500 (2015: $Nil) to directors of the Company.

(b) Due to/from Directors and Officers

A total of $153,562 (July 31, 2015: $289,098) is due to directors and officers. In addition, a total of $89,195 (July 31, 2015: $106,066) in legal fees is due to a law firm of which a director is a partner, and $Nil (July 31, 2015: $6,040) is due to, and $18,069 (July 31, 2015: $Nil) is due from a Company of which several key management personnel are also key management personnel of Centurion pursuant to shared office overhead and administrative costs.

Balances payable are non-interest bearing, unsecured and have no specific terms of repayment.

Compensation of key management personnel of the Company

		July 31, 2016		July 31, 2015
Administration	$	114,300	$	108,000
Accounting		12,000		-
Consulting		11,500		-
Social security and health costs		1,026		808
	$	138,826	$	108,808

There are no other related party transactions other than what was been disclosed

(Expressed in Canadian Dollars)

10. COMMITMENTS AND OTHER CONTINGENCIES

Operating lease commitments – Company as lessee

The Company had a lease expire June 30, 2016 for office space occupied by its head office. The Company entered into a lease expiring May 31, 2021 for office space currently occupied by its head office. There are no restrictions placed on the lessee through entering into the leases. Future minimum payments under non-cancellable operating lease as at the end of the indicated periods are as follows:

		2016		**2015**
Within one year	$	10,883	$	40,911
More than five years		315,616		-
	$	326,499	$	40,911

Total operating lease expense included in general and administrative expense for 2016 was $28,197 (2015: $16,547).

Exploration and Evaluation Commitments and Contingencies

The Company has mineral property commitments as outlined in Note 4. A liability has not been recorded for future option or royalty payments. All property option agreements are cancellable at the option of the Company without recourse.

11. INCOME TAXES

Income tax expense comprises of current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive loss/income.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

A reconciliation of income taxes at statutory rates is as follows:

		2016		**2015**
Loss before income taxes for the year	$	(1,395,543)	$	(391,668)
Statutory tax rate		26.00%		26.00%
Expected income tax recovery		(363,000)		(102,000)
True-up to income tax returns		-		55,000
Share issue costs and other		29,000		(3,000)
Change in unrecognized deferred tax assets		334,000		50,000
Total income tax (recovery) expense	**$**	**-**	**$**	**-**

(Expressed in Canadian Dollars)

11. INCOME TAXES (CONTINUED)

Details of the Company's deferred tax assets and liabilities are as follows:

	2016	2015
Non-capital loss carry forwards	$ 2,456,000	$ 2,280,000
Share issuance costs and other	36,000	28,000
Exploration and evaluation assets	2,359,000	2,209,000
Unrecognized deferred tax asset	(4,851,000)	(4,517,000)
Net deferred tax assets / (liabilities)	**$ -**	**$ -**

At July 31, 2016, the Company has non-capital losses of $9,446,000 (2015: $8,772,000) expiring in various amounts from 2017 to 2036 which are available for deduction against future income for tax purposes. The potential benefits of these carry-forward non-capital losses and deductible temporary differences has not been recognized in these financial statements as it is not considered probable that sufficient future taxable profit will allow the deferred tax asset to be recorded.

12. SUBSEQUENT EVENTS

On August 25, 2016, the Company granted 2,500,000 options to purchase common shares to certain officers, directors and consultants. The options vested immediately and are exercisable at $0.10 per share for a period of five years from the date of grant.

On October 25, 2016 the Company announced the closing of a financing for $540,878. The Company issued 7,726,841 units at $0.07 per unit which is comprised of one common share and one common share purchase warrant. Each warrant will be exercisable for one common share for a period of two years at $0.12 for the first year and at $0.15 for the second year following the closing, and will be subject to a four month hold period. Finders' fees consist of cash in the amount of $13,260, and 21,000 agent's warrants exercisable for common shares on the same basis as the subscribers.

On October 25, 2016 the Company announced that it closed a one-year loan financing for $180,000 from arms' length parties. Proceeds from this financing shall be used to assist the Company in commencing the Ana Sofia, Argentina, agri-gypsum pilot plant operation and for general corporate purposes. In consideration for the loan, the Company issued 514,285 bonus common shares, at a deemed price of $0.07 per share and will pay an interest of 1.5% per month. The loan can be paid off at any time with no penalty to the Company. Finders' fees of $12,000 were paid on this transaction. The shares are subject to a four-month hold period expiring in February, 2016.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED
JULY 31, 2016

INTRODUCTION

The following management's discussion and analysis ("MD&A") of the financial condition and results of operations of Centurion Minerals Ltd. (the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the year ended July 31, 2016. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited financial statement for the year ended July 31, 2016 and 2015, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results for the period presented are not necessarily indicative of the results may be expected for any future period.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Centurion Minerals common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Additional information relating to our Company may be found on SEDAR at www.sedar.com or on the Company's website at www.centurionminerals.com.

The effective date of this report is November 25, 2016.

DESCRIPTION OF BUSINESS

Centurion Minerals Ltd. (the "Company" or "Centurion") was incorporated on March 11, 2005 in the Province of British Columbia as 0718918 B.C. Ltd. The Company changed its name to Centurion Minerals Ltd. on November 28, 2005.

The Company is listed on the TSX Venture Exchange, having the symbol CTN as a Tier 2 mining issuer in the process of exploring its mineral properties with activity focused on the Ana Sofia Agricultural Gypsum Project (the "Ana Sofia Project") in Santiago del Estero Province, Argentina. During the fiscal year ending July 31, 2016, the Company funded an exploration program that led to the October 31, 2016 announcement of an inferred resource of 1.47 million tonnes averaging 94.1% gypsum, using an 85% cut-off grade that is the minimum required gypsum content for agricultural, commercial-quality gypsum products in Argentina. The inferred resource has been reported in accordance with the Canadian Securities Administrators National Instrument 43-101 and, in the opinion of the Qualified Person responsible for the current resource estimate (A. Turner, P.Geol., geological consultant with APEX Geoscience Ltd.), has a reasonable prospect for eventual economic extraction.

We have not earned revenues from our exploration activity and our Company is considered to be in the exploration stage.

OVERVIEW

The Company operates in one industry segment, mineral exploration, within three geographic areas: Canada, Argentina, and Indonesia. In prior years, the Company pursued exploration activity in Myanmar, however, as at the date of this MD&A, the Company had ceased all activity in the country and it is unlikely the Company will undertake any near term expenditures on exploration and evaluation of mineral properties in Myanmar.

MINERAL PROPERTIES

Ana Sofia Agricultural Gypsum Project, Santiago del Estero Province, Argentina

On February 5, 2016 the TSX Venture Exchange approved a definitive joint venture agreement (the "Agreement") between the Company and Demetra Minerals Inc. ("Demetra") to develop the Ana Sofia agricultural gypsum project (the "Project") in Santiago del Estero province, Argentina. Demetra is a privately held, Vancouver-based agri-mining company and the beneficial owner of 100% interest in the Project.

MINERAL PROPERTIES (CONTINUED)

Ana Sofia Project (Continued)

Demetra has been focused on identifying, developing and marketing calcium sulfate, a mineral fertilizer and soil conditioner (also known as agricultural gypsum or "agri-gypsum") for the markets of Argentina, Paraguay, Bolivia, Brazil and Chile. As defined in the Agreement:

1) Centurion issued 2,000,000 common shares to Demetra as consideration for the acquisition of its 50% interest in the Ana Sofia project;

2) Demetra was appointed as the operator of the Project;

3) The Management Committee of the Joint Venture consists of 5 members - 3 Centurion nominees and 2 Demetra nominees, where a Demetra nominee also serves as an Officer of Centurion;

4) Provided that the Joint Venture achieves production, or after Centurion has expended US$4 million in development costs, both parties shall have the right to call for an amalgamation, which would be subject to a shareholder's vote. Centurion shall have the right to acquire 100% of Demetra by issuing approximately 23.5 million Common shares. The Company shall set aside an additional 10.4 million Preferred Shares for the Demetra founders convertible into Common shares on achievement of certain production milestones. Should Centurion spend US$6 million in development costs prior to amalgamation, all further costs shall be borne equally by the JV partners.

The Project comprises two mining concessions totaling 50 hectares (ha) in size and approximately 500 ha of exploration rights located 50 kilometers west of the provincial capital city of Santiago del Estero in northwestern, Argentina. Exploration work by Demetra, including trenching and sampling had previously identified multiple, high grade, near surface gypsum beds. Demetra has been issued two mining permits and has received environmental and export approvals from the provincial and federal authorities.

On October 31, 2016 announced the completion of an initial resource estimate for the Project. The resource estimate is based on exploration and test-pitting work completed by Centurion and Demetra that focused on two near-surface gypsum layers located within one of the Project's mining concessions and surrounding exploration permit area. The 2 gypsum layers represent an inferred resource of 1.47 million tonnes averaging 94.1% gypsum, using an 85% cut-off grade that is the minimum required gypsum content for agricultural, commercial-quality gypsum products in Argentina. Key highlights include:

- Inferred gypsum resource of 1.47 million tonnes of material averaging 94.1% gypsum.

- The mineralisation remains open in multiple directions. Excellent potential exists for expansion of the resource along the geological controls identified during the recent test pitting and trenching program. Multiple, high-purity gypsum layers have been identified within the project's second mining concession approximately 400 meters ('m') southwest of the current resource area.

- The reported gypsum resource occurs as flat-lying sedimentary layers or beds within 10 m of surface which, in the opinion of the Qualified Person responsible for the current resource estimate (A. Turner, P.Geol., geological consultant with APEX Geoscience Ltd.), has a reasonable prospect for eventual economic extraction.

- The resource is situated approximately one kilometer from a paved highway and power lines.

The Company and Demetra have also entered into a purchase agreement for both primary and secondary crushing units. The units form the main components of a pilot plant facility capable of processing up to 40,000 tons/annum of agri-gypsum material. As at the date of this MD&A, the pilot plant's assembly has been completed and testing of the complete circuit is currently underway. Key highlights include:

- Site preparation, including clearing, compaction, and access road upgrades have been completed and concrete foundations have been installed;

- Upgrading and refurbishment of the primary crusher is completed, manufacturing of the secondary crusher is completed and both have been delivered to the Project;

MINERAL PROPERTIES (CONTINUED)

Ana Sofia Project (Continued)

- Construction of the site office and mobile lab is complete; and
- All other equipment including conveyors, finished goods bagging equipment, rolling stock and diesel generator have been acquired, delivered and assembled at the Project.

Kamona Agreement (Miwah Project, Aceh, Indonesia)

On October 25, 2010, the Company executed a binding Letter of Agreement (the "Agreement") with PT Bayu Kamona Karya ("Kamona"), the Indonesian company which holds the exploration rights on the property that hosts the Miwah epithermal gold deposit in Aceh, Sumatra, Indonesia. Kamona maintains a 100% interest in the Miwah project, which is currently subject to an exploration program being conducted by East Asia Minerals Corporation. East Asia has an opportunity to earn an 85% interest in the project subject to completing a feasibility study. Pursuant to the Kamona Agreement, the Company will have the right of first refusal to provide the necessary funding to satisfy the financial obligations associated with the property agreements and in exchange, the Company could receive 72% of the benefit that the holder receives.

The initial term of the exploration permit expired in November 2012; however, an extension was granted until November 30, 2015 and discussions with the local authorities for additional extensions are ongoing. The Company is uncertain if the licenses remain in good standing. Due to this uncertainty and the lack of activity on the project by East Asia Minerals and Kamona, the Company decided to write down the costs related to this agreement to a nominal value in the 2014 year-end financial statements. As at July 31, 2016 the Company continues to monitor the Miwah IUP status, and the activity on the project by East Asia Minerals, and believes there continues to be an opportunity should the availability of financing return for projects similar to Miwah.

Banda Raya Property, Aceh, Indonesia

In May 2010 the Company executed a Joint Venture Agreement whereby the Company holds an 80% joint venture interest in the property. The project consists of a 10,000 hectare, concession located in Pidie Regency, Aceh, Indonesia.

Due to a lack of exploration activity on the Banda Raya project, a lengthy downturn in the mining market and uncertainty with regard to exploration license renewals on this property and the adjacent Miwah project, the Company decided to write down the costs related to this project to a nominal value in the 2014 year-end financial statements. The initial five-year (renewable) IUP term expired in May 2015. As at July 31, 2016 the Company remains in discussions with local authorities responsible for granting IUP's, and the Company will continue to seek a joint venture partner to advance the project.

SELECTED ANNUAL INFORMATION

All references to common shares and per share amounts have been retroactively restated to reflect the share consolidation (See note 6 in the Financial Statements and outstanding share data in this MD&A.)

		July 31, 2016		July 31, 2015	July 31, 2014
Financial results:					
Net loss for the year	**$**	**(1,395,543)**	$	(391,668)	$ (2,748,459)
Comprehensive loss for the year		**(1,395,543)**		(391,668)	(2,748,459)
Basic and diluted loss per share		**(0.07)**		(0.03)	(0.25)
Net expenditures on resource properties		**-**		-	-
Financial position data:					
Cash and short term deposits		**173,160**		4,226	4,764
Resource properties		**2**		2	2
Total assets		**272,468**		7,405	15,788
Shareholders' deficiency	**$**	**(607,436)**		$ (1,151,942)	$ (1,029,412)

SUMMARY OF QUARTERLY RESULTS

Financial results		Jul. 31 2016		Apr. 30 2016		Jan. 31 2016		Oct. 31 2015
Net loss for the period	$	(567,812)	$	(476,639)	$	(255,199)	$	(95,893)
Comprehensive loss for the period	$	(567,812)		(476,639)		(255,199)		(95,893)
Basic and diluted loss per share		(0.02)		(0.02)		(0.02)		(0.01)
Balance sheet data								
Cash		173,160		6,452		1,409		1,918
Resource properties		2		2		2		2
Total assets		272,468		103,034		17,289		7,157
Shareholders' equity	$	(607,436)	$	(996,450)	$	(906,603)	$	(1,218,135)

Financial results	Jul. 31 2015		Apr. 30 2015		Jan. 31 2015		Oct. 31 2014
Net loss for the period	(32,078)	$	(113,837)	$	(143,531)	$	(102,222)
Comprehensive loss for the period	(32,078)		(113,837)		(143,531)		(102,222)
Basic and diluted loss per share	-		(0.01)		(0.01)		(0.01)
Balance sheet data							
Cash	4,226		1,615		8,544		1,911
Resource properties	2		2		2		2
Total assets	7,405		8,755		18,189		6,498
Shareholders' equity	(1,151,942)	$	(1,124,717)	$	(1,177,434)	$	(1,130,597)

RESULTS OF OPERATION

Year-ended July 31, 2016 compared to July 31, 2015

The Company had a net loss and comprehensive loss of $1,395,543 during the current year versus $391,668 in the comparative year, being an increase of $1,003,875, or 256%. The increase is due largely to the Argentine joint venture transaction and related Argentine exploration expenditures. On February 5, 2016, the TSX Venture Exchange accepted for filing a Joint Venture Agreement announced January 29, 2016 between Centurion Minerals Ltd. (the Company) and Demetra Minerals Inc. and Demetra Fertilizantes S.A. (the Vendor) for the exploration, development and commercialization of the Ana Sofia gypsum property located in northwestern Argentina, and Centurion issued 2,000,000 shares, at a fair value of $300,000 at $0.15 per share, as consideration.

On January 27, 2016, the Company received TSX Venture Exchange approval to issue 3,483,531 shares, at a fair value of $487,694 at $0.14 per share, to settle outstanding debt for $348,353. The debt has now been extinguished resulting in a lossreduced. Loss on debt settlement (2016: $139,341, 2015: $Nil).

The Company also increased its administration, exploration and associated activities during the year. Filing fees and communications (2016: $189,401, 2015: $31,419) were increased due to attendance in trade show, equity trust agent, marketing and consulting expenses; administration (2016: $114,300, 2015: $108,000), office and miscellaneous (2016: $11,462, 2015: $8,030) were higher due to office supplies. Increases in general and administrative expenses are due to an increase in consulting expenses (2016: $76,903, 2015: $43,247), decrease in depreciation (2016: $Nil, 2015: $1,161), increase in insurance (2016: $13,267, 2015: $4,182), increase in general exploration expenditures (2016: $583,133, 2015: $76,130), increase in legal expense (2016: $44,498, 2015: $12,854), increase in rent (2016: $28,197, 2015: $16,547), increase in telephone expense (2016: $11,360, 2015: $4,665), decrease in travel expense (2016: $27,097, 2015: $37,546) and increase in contract wages (2016: $112,950, 2015: $16,800). The increase in accounting expenses (2016: $36,503, 2015: $25,430) is due to the addition of a full time CFO.

LIQUIDITY

As at July 31, 2016, we had a working capital deficiency of $114,168, which included a cash balance of $173,160.

The Company does not currently own or have an interest in any producing mineral properties and do not derive any revenues from operations. Activities have been funded through equity financing and the Company expects that it will continue to be able to utilize this source of financing until the Company has cash flow from operations. There can be no assurance, however, that efforts will be successful. If such funds are not available or other sources of financing cannot be obtained, then we will be curtailed to a level for which funding is available or can be obtained.

CAPITAL RESOURCES

The Company has no operations that generate cash flow and the Company is generally dependent on the placement of our common shares capital stock securities to raise capital.

Objectives when managing capital are to:

a) Provide an adequate return to shareholders;
b) Provide adequate and efficient funding for operations;
c) Continue the development and exploration of its mineral properties and support any expansion plans;
d) Allow flexibility to investment in other mineral revenues; and
e) Maintain a capital structure, which optimizes the cost of capital at acceptable risk.

In the management of capital, all accounts are included in shareholders' equity. As at July 31, 2016, the Company had no bank indebtedness.

The Company is not subject to any externally imposed capital requirements and there has been no change with respect to the overall capital risk management strategy during the fiscal year.

RELATED PARTY TRANSACTIONS

The following is a summary of the Company's related party transactions for the year-ended July 31, 2016:

Name	Relationship	Purpose of Transaction	July 31, 2016	July 31, 2015
Pacific Capital Advisors Inc.	Company controlled by the CEO and director of the Company	Advisory services related to CEO duties	$108,000	$108,000
Cawkell Brodie LLP	Company controlled by the Secretary and director of the Company	Legal services	$34,172	$12,854
Seatrend Strategy Group	Company controlled by the CFO of the Company	CFO services	$12,000	$NIL

(a) (i) Management Services Agreements

Total fees of $114,300 (2015: $108,000) were paid or accrued to directors of the Company for administration services outside their capacity as a director.

(ii) Legal Fees

The Company paid or accrued legal fees of $34,172 (2015: $12,854) to a law firm of which a director of the Company is a partner).

(iii) Accounting fees

The Company paid or accrued accounting fees of $12,000 (2015: $Nil) to a company owned by an officer of the Company.

(iv) Consulting fees

The Company paid or accrued consulting fees of $5,500 (2015: $Nil) to officers of the Company.

(b) Due to/from Directors and Officers

A total of $153,562 (July 31, 2015: $289,098) is due to directors and officers. In addition, a total of $89,195 (July 31, 2015: $106,066) in legal fees is due to a law firm of which a director is a partner, and $Nil (July 31, 2015: $6,040) is due to, and $18,069 (July 31, 2015: $Nil) is due from a Company of which several key management personnel are also key management personnel of Centurion pursuant to shared office overhead and administrative costs.

Balances payable are non-interest bearing and have no specific terms of repayment.

Further details of these transactions are disclosed in note 9 to the financial statements.

OUTSTANDING SHARE DATA

As of the date of this MD&A, the Company has 50,143,529 common shares issued and outstanding; 32,684,061 share purchase warrants and 2,986,800 share options convertible into common shares.

References to common shares and per share amounts have been retroactively restated to reflect the share consolidation in October 2015. See note 6 in the Financial Statements for further details.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Details of Financial Instruments and Risk Management are disclosed in note 3 to the financial statements.

RISKS AND UNCERTAINTIES

Liquidity and Additional Financing

The Company has limited financial resources and no current revenues. There can be no assurance that additional funding will be available to it for further exploration and development of its projects or to fulfill its obligations under applicable agreements. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could cause the Company to reduce or terminate its operations.

Regulatory Requirements

Even if the Company's properties are proven to host economic reserves of gold or other precious or non-precious metals, factors such as governmental expropriation or regulation may prevent or restrict mining of any such deposits. Exploration and mining activities may be affected in varying degrees by government policies and regulations relating to the mining industry. Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect its business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, environmental legislation and mine safety.

Nature of Mineral Exploration and Mining

At the present time, the Company does not hold any interest in a mining property in production. The Company's viability and potential success lie in its ability to discover, develop, exploit and generate revenue out of mineral deposits. Mineral exploration and development involves a high degree of risk and few properties which are explored are ultimately developed into producing mines. The profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, if any, which may be affected by a number of factors beyond the Company's control. Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of diamond, precious and non-precious metals, any of which could result in work stoppages, damage to the property, and possible environmental damage. Hazards such as unusual or unexpected formations and other conditions such as formation pressures, fires, power outages, labor disruptions, flooding, explorations, cave-ins, landslides and the inability to obtain suitable adequate machinery, equipment or labor are involved in mineral exploration, development and operation. The Company may become subject to liability for pollution, cave-ins or hazards against which it cannot insure or against which it may elect not to insure. The payment of such liabilities may have a material, adverse effect on the financial position of the Company.

The Company will continue to rely upon consultants and others for exploration and development expertise. Substantial expenditures are required to determine if mineralization reserves exist through drilling, to develop processes to extract the precious and non-precious metals from the mineralization and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis or at all. The economics of developing mineral properties are affected by many factors including the cost of operations, variations in the grade of mineralization mined, fluctuations in markets, costs of processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. The remoteness and restrictions on access to any properties in which the Company has or may have an interest may have an adverse effect on profitability in that infrastructure costs will be higher.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or for other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and cause insolvency and/or a decline in the value of the securities of the Company.

RISKS AND UNCERTAINTIES (CONTINUED)

No Assurance of Title to Properties

The acquisition of title to mineral projects is a very detailed and time consuming process. Although the Company has taken precautions to ensure that legal title to its property interests is properly recorded in the name of the Company where possible, there can be no assurance that such title will ultimately be secured. Furthermore, there is no assurance that the interest of the Company in any of its properties may not be challenged or impugned.

Permits and Licenses

The operations of the Company may require licenses and permits from various governmental authorities. The company believes that it presently holds all necessary licences and permits to carry on with activities which it is currently conducting under applicable laws and regulations and the Company believes it is currently complying in all material respects with the terms of such laws and regulations. However, such laws and regulations are subject to change. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects.

Competition

The mineral exploitation industry is intensely competitive in all its phases. The Company competes with many companies possessing greater financial resources and technical facilities than itself for the acquisition of mineral properties, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees. In addition, there is no assurance that even if commercial quantities of minerals are discovered, a ready market will exist for their sale. Factors beyond the control of the Company may affect the marketability of any minerals discovered. These factors include market fluctuations, the proximity and capacity of natural resource markets and processing equipment, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital or losing its invested capital.

Environmental Regulations

The Company's operations are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for noncompliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important requirements, which affect capital and operating costs. Unusual or infrequent weather, phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations.

Fluctuating Prices

Factors beyond the control of the Company may affect the marketability of any copper, nickel, gold, platinum or any other minerals discovered. The price of those commodities has fluctuated widely, particularly in recent years, and is affected by numerous factors beyond the Company's control including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, consumption patterns, speculative activities and increased production due to new mine developments and improved mining and production methods.

The effect of these factors on the price of gold, base and precious metals and therefore the economic viability of any of the Company's projects cannot be accurately predicted.

Reliance on Key Personnel

The Company is dependent on a relatively small number of key people, the loss of any of whom could have an adverse effect on its operations. The Company does not carry any key man insurance.

SUBSEQUENT EVENTS

Please refer to note 1 of the audited financial statements.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com.

CAUTION REGARDING FORWARD LOOKING STATEMENTS

The Ana Sofia project has not been the subject of a feasibility study and as such there is no certainty that a potential mine will be realized or that the processing facility will be able to produce a commercially marketable product. There is a significant risk that any production from the project will not be profitable with these risks elevated by the absence of a compliant NI 43 101 feasibility study. A mine production decision that is not based on a feasibility study demonstrating economic and technical viability does not provide adequate disclosure of the increased uncertainty and specific risks of failure associated with such a production decision. The work carried out to date is of a preliminary nature to assist in the determination as to whether the mineral product is suitable for sale and if there are markets for the mineral product. The Company has undertaken market research and studies to try to mitigate these risks. General risks inherent in the Project include the reliance on available data and assumptions and judgments used in the interpretation of such data, the speculative and uncertain nature of exploration and development costs, capital requirements and the ability to obtain financing, volatility of global and local economic climates, share price volatility, estimated price volatility, changes in equity markets, exchange rate fluctuations and other risks involved in the mineral exploration and development industry. There can be no assurance that a forward looking statement or information referenced herein will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements or information. Accordingly, readers should not place undue reliance on forward looking statements or information.

We undertake no obligation to reissue or update any forward looking statements or information except as required by law.

The Ana Sofia mineral resource estimate is reported in accordance with the Canadian Securities Administrators National Instrument 43-101 and has been estimated using the CIM "Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines" dated November 23rd, 2003 and CIM "Definition Standards for Mineral Resources and Mineral Reserves" dated May 10th, 2014. Due to the relatively wide spacing of the historical quarries and the 2016 test pits, which varies between 40 m and 300 m, the Ana Sofia 2 resource described herein is categorized entirely as an inferred mineral resource. Inferred Mineral Resources are not Mineral Reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability. There has been insufficient exploration to define the inferred resources as an indicated or measured mineral resource, however, it is reasonably expected that the majority of the Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration. There is no guarantee that any part of the mineral resources will be converted into a mineral reserve in the future. The estimate of mineral resources may be materially affected by geology, environment, permitting, legal, title, taxation, socio-political, marketing or other relevant issues.

This MD&A contains forward looking statements concerning future operations of Centurion Minerals Ltd. (the "Company"). All forward-looking statements concerning the Company's future plans and operations, including management's assessment of the Company's project expectations or beliefs may be subject to certain assumptions, risks and uncertainties beyond the Company's control. Investors are cautioned that any such statements are not guarantees of future performance and that actual performance and exploration and financial results may differ materially from any estimates or projections. Such statements include, among others: possible variations in mineralization, grade or recovery rates; actual results of current exploration activities; actual results of reclamation activities; conclusions of future economic evaluations; changes in project parameters as plans continue to be refined; failure of equipment or processes to operate as anticipated; accidents and other risks of the mining industry; delays and other risks related to construction activities and operations; timing and receipt of regulatory approvals of operations; the ability of the Company and other relevant parties to satisfy regulatory requirements; the availability of financing for proposed transactions, programs and working capital requirements on reasonable terms; the ability of third party service providers to deliver services on reasonable terms and in a timely manner; market conditions and general business, economic, competitive, political and social conditions. It is important to note that the information provided in this MD&A is preliminary in nature. There is no certainty that a potential mine will be realized.