



ASX Announcement

27th April 2017

Ardmore Phosphate Rock Project

Qube Bulk to Undertake Logistics Feasibility Study

Highlights

- ▶ Qube Bulk appointed to undertake Feasibility Study for mine to ship logistics options at Ardmore Phosphate Rock Project
- ▶ Logistics study to consider both bulk and containerised haulage and storage options
- ▶ Phosphate rock from Ardmore is planned to be trucked 90 km on existing roads to the Mount Isa-Townsville rail line and hauled to Townsville Port for export
- ▶ Remaining components of the Ardmore Feasibility Study will commence immediately on transfer of the Mining Lease expected in the coming months
- ▶ Survey of historical drill hole collars nearing completion to allow establishment of JORC Mineral Resources

Project Update

Centrex Metals Limited ("Centrex") has appointed Qube Bulk Pty Ltd ("Qube Bulk") to complete a Feasibility Study for mine to ship logistics options at the high-grade Ardmore Phosphate Rock Project ("Ardmore") in Northwest Queensland. The Feasibility Study will consider both bulk and containerised haulage options, and is expected for completion in mid-2017. Phosphate rock from Ardmore is planned to be trucked 90km by existing roads to the Mount Isa-Townsville rail line where it will be hauled to the Port of Townsville for export.

Ardmore is one of the few remaining undeveloped high-grade phosphate deposits in the world. Centrex signed agreements in February with Southern Cross Fertilisers Pty Ltd ("SCF") for Centrex to develop the project. SCF will transfer, subject to necessary regulatory approvals, the Ardmore Mining Lease to Centrex for A\$ 5 million, and SCF will retain an interest in the project via a right of first refusal of up to 20% of production (at market prices) as well as a 3% royalty. SCF has lodged an application for indicative approval of the transfer from the Queensland Government, with completion of the transfer expected in the coming months.

Remaining components of the Ardmore Feasibility Study will be commenced by Centrex on completion of the Mining Lease transfer.

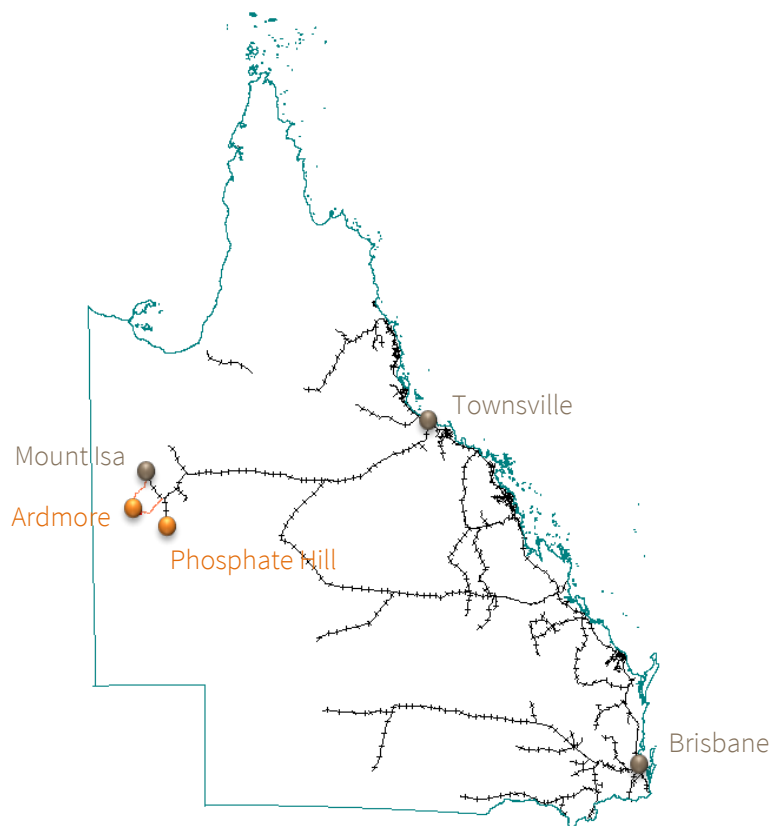


FIGURE: Ardmore location map.

Ardmore is an undeveloped smaller high-grade satellite deposit to the operating Duchess Mine which is located around 70 km east that feeds SCF's Phosphate Hill ammonium phosphate fertiliser plant. Ardmore had 302 historic drill holes completed over the outcropping deposit in the 1970s, with drill spacing down to 20 m by 20 m in some areas. Centrex established an Independent Exploration Target for Ardmore based on preliminary review of the historical exploration data in February. For details of the Exploration Target see announcement 2nd February 2017;

<http://www.asx.com.au/asxpdf/20170202/pdf/43fr772d32lgt0.pdf>

As part of the validation of the historical drilling data to convert the Exploration Target to JORC Mineral Resources, Centrex commenced and is nearing completion of ground surveys of the drill collar locations. The survey work has revealed the historical drill holes were marked with steel pegs, with drill hole numbers etched into the steel. An initial ground survey has located more than half the historical drill collars, and a follow up survey will be completed in the coming weeks to locate the remainder.



FIGURE: Centrex GM Exploration Alastair Watts viewing exposed high-grade phosphate rock seam in historical trench AE6.



FIGURE: Centrex GM Projects Steve Klose logging GPS coordinates of historical drill collar peg (left), and an example of etched peg number (right).

For further information, please contact:

Ben Hammond

Chief Executive Officer
Centrex Metals Limited
Ph (08) 8213 3100

Gavin Bosch

Chief Financial Officer & Company Secretary
Centrex Metals Limited
Ph (08) 8213 3100