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ASX Announcement

7th August 2017

Ardmore Phosphate Rock Project

Drilling Commences for Feasibility Study



CAPTION: Diamond drilling rig at Ardmore with contract geologist Michelle Mercieca.

Highlights

- ▶ Diamond core drilling commenced today at the Ardmore Phosphate Rock Project to provide a bulk composite for feasibility level metallurgical testwork

- ▶ Initial testwork previously announced showed potential ability to produce a premium grade 35% P₂O₅ phosphate rock concentrate
- ▶ Standard and simple crushing, attritioning and desliming process flow proposed
- ▶ Reverse circulation drill rig to arrive later this month to commence major (approximately 300 drill hole) infill drilling program across the deposit to support mining feasibility studies and a further resource update
- ▶ Maiden Inferred Mineral Resource previously announced of 12 million tonne at 28.7% P₂O₅ (using a 19% P₂O₅ grade cut-off) showing high-grade deposit
- ▶ Lidar aerial survey of project area completed to provide imagery and topographic data for engineering design

Project Update

Centrex Metals Limited ("Centrex") has commenced drilling at its Ardmore Phosphate Rock Project ("Ardmore") in North West Queensland. The first of two main drilling programs has started with a number of PQ diamond drill holes now being completed across the deposit. The diamond core will provide bulk sample for a composite to be utilised in feasibility level metallurgical testwork, and a smaller composite will also be compiled for interim scoping level testwork. Interim scoping level cost estimates for the project are planned to be released in 2017, prior to completion and release of the full feasibility study in mid-2018. First shipments for the project are targeted in 2019.

The PQ diamond drilling program is expected to be completed by early September. Centrex announced last month initial testwork results that showed the potential ability to produce a premium grade 35% P₂O₅ phosphate rock concentrate.

A reverse circulation drill rig will also arrive later this month to commence a major (approximately 300 drill hole) infill drilling program across the deposit to support mining feasibility studies and further resource estimate.

Centrex announced its maiden Inferred Mineral Resource for the project earlier this month with 12 million tonne at 28.7% P₂O₅ (using a 19% P₂O₅ grade cut-off). The deposit is one of the few undeveloped high-grade phosphate resources in the world.

For full details of the resource announcement and initial testwork results see the releases on the 6th and 24th of July 2017;

<http://www.asx.com.au/asxpdf/20170706/pdf/43kgp6drj432tb.pdf>

<http://www.asx.com.au/asxpdf/20170724/pdf/43ktqlsrj97p44.pdf>

The results were reported under JORC 2012 and Centrex is not aware of any new information or data that materially affects the information contained within the release. All material assumptions and technical parameters underpinning the estimates in the announcement continue to apply and have not materially changed.

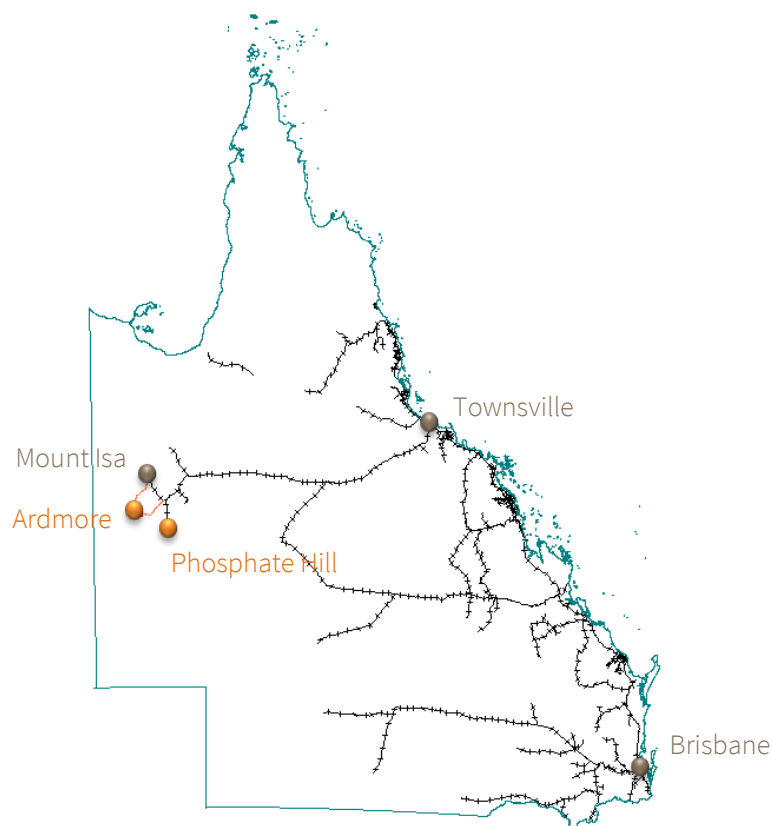


FIGURE: Ardmore location map.

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