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ASX Announcement

1st September 2017

Ardmore Phosphate Rock Project

Bulk Sample Drilling Completed



CAPTION: Centrex CEO Ben Hammond and GM Projects Steve Klose assessing diamond drill core at Ardmore for a bulk metallurgical testwork composite.

Highlights

- ▶ 22 PQ diamond core drill holes completed across Ardmore to provide a bulk sample for feasibility level metallurgical testwork
- ▶ Close to 1 tonne bulk composite sample dispatched to Bureau Veritas in Adelaide for ore characterisation, beneficiation testwork, and production of marketing samples
- ▶ 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
- ▶ A major (approximately 300 drill hole) reverse circulation infill drilling program across the deposit has now commenced to support mining feasibility studies and provide a further resource update
- ▶ Maiden Inferred Mineral Resource previously announced of 12 million tonnes at 28.7% P₂O₅ (using a 19% P₂O₅ grade cut-off) showing high-grade deposit

Project Update

Centrex Metals Limited ("Centrex") has completed a 22 PQ diamond core drill program at its Ardmore Phosphate Rock Project ("Ardmore") in North West Queensland. The drill holes from across the deposit have provided ore intervals of diamond core to create an almost 1 tonne composite for feasibility level metallurgical testwork. The composite has been dispatched to Bureau Veritas in Adelaide for ore characterisation, beneficiation testwork, and production of marketing samples. Initial testwork previously announced showed potential ability to produce a premium grade 35% P₂O₅ phosphate rock concentrate via a relatively simple crushing, attritioning and desliming process flow. The feasibility testwork program is expected for completion by the end of 2017.

Phosphate rock concentrate produced from the testwork will be sent to the potential customers Centrex has been in discussions with across Asia and Australasia as the first step towards securing off-take agreements. Centrex will also send a sample of concentrate for its own independent fertiliser production testwork offshore.

A major (approximately 300 drill hole) reverse circulation infill drilling program across the deposit has now commenced to support mining feasibility studies and a further resource update.

Centrex announced its maiden Inferred Mineral Resource for the project in July with 12 million tonnes 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.

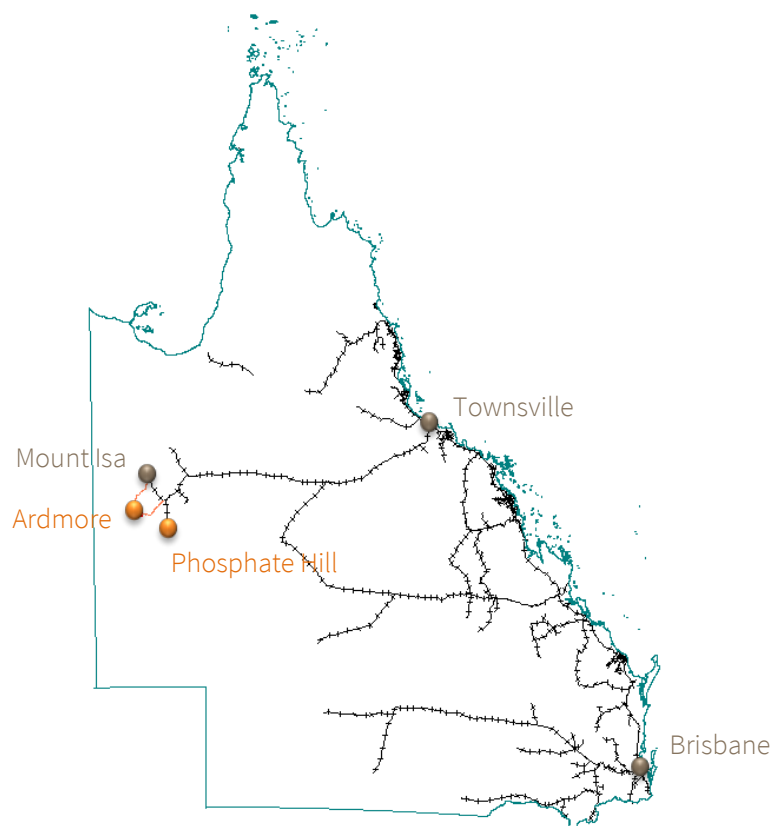


FIGURE: Ardmore location map.

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