



ASX Announcement

1st September 2017

Centrex Metals Limited

Sale of Less than Marketable Parcel Facility

Centrex Metals Limited ("Centrex") is pleased to announce that it has established a share sale facility (**Facility**) for holders of shares in the Company valued at less than \$500.00 (**LM Parcel**). Centrex has appointed Hartleys Limited to act as the sale broker for the Facility.

Based on the volume weighted average price (**VWAP**) of Centrex shares on the ASX over the 10 days immediately preceding 31st August 2017 (**Record Date**), the price of Centrex shares was \$0.068 per share and on this basis a LM Parcel is 7,352 shares or less.

The Company is offering this Facility to assist holders of LM Parcels to sell their shares in the Company without having to use a broker or pay brokerage. The Company will pay all costs of the sale for shareholders who use this Facility, excluding tax consequences from the sale which remain the shareholder's responsibility. The Company expects to reduce the administrative costs associated with maintaining a large number of small shareholdings.

The proceeds to be received by each shareholder will be determined once all the shares under the Facility are sold. Each shareholder will receive their proportionate share of the sale proceeds for all shares sold through the Facility without any deduction for brokerage or handling costs. Centrex may sell the shares either on-market or off-market.

If the shares are sold on-market, the sale price for those shares will depend on a number of factors, including market conditions at the time and no guarantee as to the price can be given by the Company. The sale price may also not be the highest price that Centrex shares trade on the day that the shares are sold.

If all or some of the shares are sold other than on-market, the sale price for those shares will be the best price that the Company has been able to negotiate with the acquirer(s).

A summary of the key dates in relation to the Facility are as follows:

LM Parcels Record Date	31 st August 2017 at 5.00pm (ACST)
Letters sent to shareholders holding LM Parcels	6 th September 2017
Closing Date for receipt of Share Retention Forms	20 th October 2017 at 5.00pm (ACST)
Estimated LM Parcels payment date	On or about 7 th November 2017

Attached is a copy of the letter to shareholders and share retention form, which will be dispatched to all shareholders holding a LM Parcel of shares on the Record Date.

For any questions about this announcement, please contact:

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



6th September 2017

Dear Shareholder

Notice of Intention to Sell your Less than Marketable Parcel of Shares in Centrex Metals Limited

We are writing to advise you that Centrex Metals Limited (ASX:CXM) (**Company** or **Centrex**) has established a share sale facility (**Facility**) for holders of shares in the Company valued at less than \$500.00 (**LM Parcel**) based on the Volume Weighted Average Price (**VWAP**) of Centrex shares on the ASX over the 10 days immediately preceding 31st August 2017 (**Record Date**).

The Facility has been established in accordance with the ASX Listing Rules and the Company's constitution to assist holders of LM Parcels to sell their Shares. The Company has appointed a broker to sell the LM Parcels on the ASX at no cost to the shareholder. If your Shares are held in a CHESS Holding, the Company may, without further notice, move your Shares to an Issuer Sponsored Holding or a Certified Holding for the purposes of selling your Shares under the Facility.

The registry records indicate that you held a LM Parcel on the Record Date. Unless you advise the Company that you do NOT wish to sell your shares by 5.00pm (ACST) on 20th October 2017, being six weeks from the date of this letter (**Closing Date**) or the value of your shareholding exceeds \$500.00 as at the Closing Date, the Company intends to sell your shares through the Facility as soon as practicable thereafter. Payment will be sent to you following settlement of the sale.

The sale price will be determined once all the shares under the Facility are sold. You will receive an amount per share equal to the total proceeds from all shares sold under the Facility divided by the total number of shares sold under the Facility, without any deduction for brokerage or handling costs.

What are your options?

You have two options - you can either sell your shares through the Facility or choose to retain your shares.

1. *What do you need to do if you wish to sell your LM Parcel?*

You do not need to take any action. By not taking any action by the Closing Date, you acknowledge and accept that:

- (a) your Shares will be sold through the Facility after the Closing Date and the proceeds of the sale will be paid to you; and
- (b) if your shares are in a CHESS Holding as at the Closing Date, the Company may move those Shares to an Issuer Sponsored Holding or a Certified Holding without further notice.

2. *What do you need to do if you wish to retain your LM Parcel?*

If you do NOT wish to sell your shares through the Facility, you will need to complete and return the attached Share Retention Form so that it is received by the Company's share registry, Boardroom, by the Closing Date, being 5.00pm (ACST) on 20th October 2017. Please read the instructions on the Share Retention Form carefully before completing it.

Sale Proceeds

The Company will pay all costs of the sale for holders of a LM Parcel who use this Facility, excluding tax consequences from the sale which remain the shareholder's responsibility.

The Company will pay you the sale proceeds following settlement of all shares through the Facility. The Company has determined that all payments are to be made via direct credit to a bank account nominated by you. Accordingly, please ensure that your account details are current at the registry if you are participating in the Facility. To update your account or other shareholding details online, please visit <https://www.investorserve.com.au/> or contact the Company's share registry, Boardroom on 1300 737 760 (within Australia) and + 612 9290 9600 (outside Australia).

Summary of Key Dates

A summary of the key dates in relation to the Facility are as follows:

LM Parcels Record Date	31 st August 2017 at 5.00pm (ACST)
Letters sent to shareholders holding LM Parcels	6 th September 2017
Closing Date for receipt of Share Retention Forms	20 th October 2017 at 5.00pm (ACST)
Estimated LM Parcels payment date	On or about 7 th November 2017

Important Information

The Company makes no recommendation as to whether you should participate in the Facility. Please read in full the attached **Information Sheet** that provides further information about the terms and conditions of the Facility. If you are unsure regarding which option to choose, or if you require further information regarding the financial, legal or tax consequences of participating in the Facility, you should consult your legal, financial or taxation adviser.

If you have questions, please contact the Company Secretary, whose details are listed below.

Yours sincerely

Gavin Bosch
Company Secretary
Ph: +61 8 8213 3100 Email: gbosch@centrexmetals.com.au

INFORMATION SHEET

SALE OF LESS THAN MARKETABLE PARCEL FACILITY

What is the Facility?

The Facility is a share sale arrangement that the Company has established to sell shares on behalf of shareholders who hold shares in the Company (**Shares**) valued at less than \$500.00 (**LM Parcel**) as at 5.00pm (ACST) on 20th October 2017 (**Closing Date**).

Why is the Facility being offered?

The Company is providing the Facility to allow shareholders with a small size holding to dispose of their Shares without incurring brokerage or handling costs, or who might otherwise find it difficult to sell their Shares due to the small size of their holding.

Does Centrex have the right to sell my Shares?

The Company has the right under clause 11 of the Company's Constitution and ASX Listing Rule 15.13 to sell LM Parcels, unless those shareholders elect to retain their Shares.

What is the amount that I will receive for sale of my share?

You will receive an amount per share equal to the total proceeds from all shares sold under the Facility divided by the total number of Shares sold under the Facility, without any deduction for brokerage or handling costs.

If all or some of the shares are sold on market, the price you receive will depend on a number of factors, including market conditions at the time and may be different from the price appearing in the newspaper or quoted by the ASX on any day. It may also not be the highest price that Centrex shares trade on the day that your shares are sold.

If all or some of the shares are sold other than on market, the sale price for those shares will be the best price that the Company has been able to negotiate with the acquirer(s).

What are the benefits of selling through the Facility?

Shareholders who utilise the Facility will have their Shares sold without incurring any brokerage costs or associated cost. Any tax consequences from the sale of your Shares will be your responsibility.

What if I don't want my Shares to be sold?

If you wish to retain your Shares, you must complete the attached Share Retention Form and return it to the Company's share registry, Boardroom by the Closing Date or increase your shareholding so that you hold more than \$500.00 value of Shares as at the Closing Date.

When will my Shares be sold under the Facility?

The sale of Shares under the Facility is expected to occur as soon as practicable after the Closing Date.

What if the share price of Centrex changes between the Record Date and the Closing Date?

If Centrex's share price on the ASX increases between the Record Date and the Closing Date, such that at the Closing Date the value of your Shares is greater than \$500.00, your Shares will not be sold under the Facility and you will continue to retain your Shares. If you wish to sell your Shares in the future, they will be at your own cost.

What if I purchase more Shares?

If you increase your holding in Shares so that it is valued at \$500.00 or more by the Closing Date, the Company will not sell your Shares under the Facility.

When and how will I receive my sale proceeds?

The proceeds to which you are entitled from the sale of your Shares will be remitted to you as soon as practicable after the sale via a direct credit to your bank account if you have previously provided banking instructions to the Company's share registry, Boardroom.