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ASX Announcement

17th October 2017

Ardmore Phosphate Rock Project

Mining Lease Renewed



CAPTION: Hydrogeologists conditioning water monitoring bore on the Ardmore Mining Lease.

Highlights

- ▶ Ardmore Phosphate Rock Project Mining Lease renewal granted for a further 21 year term
- ▶ A major reverse circulation infill drilling program across the deposit is almost complete to support mining feasibility studies and provide a further resource update
- ▶ Parallel Feasibility & Scoping Studies progressing
- ▶ Bulk feasibility-level metallurgical testwork commenced

- ▶ Baseline studies continuing with ground water pump testing underway
- ▶ Feasibility Study targeted for completion in mid-2018 and Scoping Study to be published after resource update in late 2017

Summary

Centrex Metals Limited ("Centrex") has today received notice from the Queensland Department of Natural Resources & Mines that the Ardmore Phosphate Rock Project ("Ardmore") Mining Lease has been renewed (ML5542). The renewal has been granted in the name of Centrex's wholly owned subsidiary Centrex Phosphate Pty Ltd for a further 21 year term.

The Company has been undertaking a major reverse circulation infill drilling program on the Mining Lease over the past two months across the phosphate rock deposit. The program is almost complete and will support mining feasibility studies, and provide a further resource update.

Centrex is currently undertaking a Feasibility Study of the project due for completion in mid-2018, to mine, process, rail and ship phosphate rock from the Port of Townsville. Bulk feasibility-level metallurgical testwork is underway in Adelaide on an almost 1 tonne composite provided from a recent diamond drilling program. Testwork results from a smaller "mini-composite" were recently announced showing the potential to upgrade the already high-grade ore to a premium 35% P₂O₅ concentrate with ultra-low cadmium levels, via a simple crush, attrition and deslime process route. The mini-composite results are being utilised for a Scoping Study being completed in parallel to the Feasibility Study in order to provide cost estimates to the market in late 2017. The Scoping Study results are targeted for publication after completion of a further resource estimate based on the current drilling program.

For full details of the recent testwork results refer announcement 21st September 2017;

<http://www.asx.com.au/asxpdf/20170921/pdf/43mj13lptzjty9.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.

Baseline studies for the project are continuing. A small hydrogeological drilling program has been completed this week and a ground water pump test is currently being undertaken. Results of the program are expected in November.

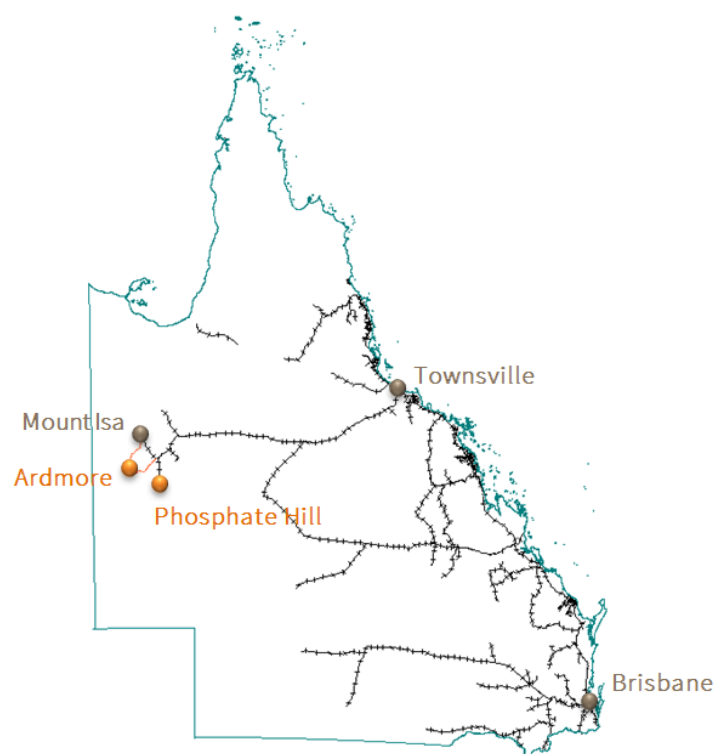


FIGURE: Ardmore location map.

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