



ASX Announcement



Clarification Announcement - Term Sheet signed with Samsung C&T Corporation

22 October 2021

ASX Code: CXM

Issued Capital:

Shares 367M

Share Price A\$0.125

Market Cap. A\$45m

Cash (30 Jun) A\$2.699M

Board of Directors:

Mr Peter Hunt

Non-Executive Chairman

Mr Graham Chrisp

Non-Executive Director

Dr A John Parker

Non-Executive Director

Mr Robert Mencil

Managing Director

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Centrex Metals Limited (ASX: CXM) (**Company**) refers to its ASX announcement dated 21 October 2021 (**Announcement**) in connection with the conditional term sheet signed between its 100% owned subsidiary Agriflex Pty Ltd (**Agriflex**) and Samsung C&T Corporation (**Term Sheet**).

The Company wishes to provide further information and clarification in relation to the conditions precedent contained in the Term Sheet.

The conditions precedent for the agreement include the following:

- (a) Agriflex board approval to proceed with the construction of the project's 800ktpa mine and process plant (such factors the Board would consider in making this decision include, but not limited to, the receipt of all necessary statutory and regulatory approvals to construct and operate an 800ktpa mine and process plant and sufficient sales agreements in place (binding and non-binding) to generate revenue to service debt based on current and forecast phosphate rock prices);
- (b) financial closure in relation to financing arrangements for the project (i.e. sufficient equity and debt facilities to construct and operate a 800ktpa mine and process plant);
- (c) Samsung C&T Corporate approval (Samsung C&T Corporate have an absolute and unfettered discretion in this regard); and
- (d) commencement of production of beneficiated phosphate rock (based on an 800ktpa mine) from the process plant.

If for any reason the conditions precedents, other than the start of commercial production of the Project (based on 800ktpa), are not satisfied within three (3) years after signing of the Term Sheet by the parties, the Term Sheet shall be automatically terminated without incurring any liability.

This ASX announcement has been approved and authorised for release by the Board of the Company.

For further information please contact:

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