



# CENTREX



**Corporate Presentation  
August 2022**

## FORWARD LOOKING STATEMENTS

These materials include forward looking statements. Forward looking statements inherently involve subjective judgement and analysis and are subject to significant uncertainties, risks and contingencies, many of which are outside of the control of, and may be unknown to Centrex Limited ('Centrex' or the 'Company').

Actual results and developments may vary materially from those expressed in these materials. The types of uncertainties which are relevant to the Company may include, but are not limited to, commodity prices, political uncertainty, changes to the regulatory framework which applies to the business of the Company and general

economic conditions. Given these uncertainties, readers are cautioned not to place undue reliance on such forward looking statements.

Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, the Company does not undertake any obligation to publicly update or revise any of the forward looking statements or any change in events, conditions or circumstances on which any such statement is based.

Forward looking statements include, but are not limited to, statements concerning Centrex's planned exploration program, targeted resources, commencement of product export and other statements that are not historical facts. When used in this document, the words such as "could", "target", "plan", "estimate", "intend", "may", "aim", "potential", "should", and similar expressions reflected in these forward-looking statements are reasonable, such as statements involving risks and uncertainties and no assurance can be given that actual results be consistent with these forward-looking statements.

# Board of Directors



## Mr Robert Mencil

**Managing Director | Appointed CEO 24 May 21 | MD since 1 Sep 2021**

Mr Mencil is an engineering and mining executive with more than 25 years' experience developing and operating a wide range of mining, mineral processing and engineering operations. Previously he held the position of CEO for RONPHOS Corp., the Republic of Nauru's Phosphate company, where he was responsible for production, marketing and export of phosphate to customers throughout Asia and Indian Pacific region. Mr Mencil brings significant senior managerial experience to the role at Centrex, having held the position of Managing Director/CEO of various ASX listed companies in the energy and resource sector.



## Dr A. John Parker

**Independent Non-Executive Director | Appointed 17 Dec 19**

Dr Parker is a geologist, geophysicist and manager with extensive local and international experience and knowledge of the geology, mineral deposits and mineralizing systems in the Precambrian.

Dr Parker was formerly Chief Geologist with the mapping branch of the South Australian Geological Survey and responsible for the mapping and publication of geological maps throughout South Australia. He has spent the last 26 years in mineral exploration as Director and Principal Geologist for Geosurveys Australia Pty Ltd including 11 years as Managing Director of Lincoln Minerals Limited and Australian Graphite Pty Ltd.

Mr Parker is a member of the Board's Audit and Risk Committee and Remuneration and Nomination Committee.



## Mr Graham Chrisp

**Non-Executive Director | Appointed 21 Jan 10**

Mr Chrisp has a degree in Civil Engineering and has substantial experience in numerous aspects of business operations, including design and construction of roads and other earthworks, mineral exploration and property development. As an owner and operator of earth moving equipment for mining and civil applications, Mr Chrisp has practical experience with modest scale mining operations, including several of his own developments. He was a founding director of Centrex Metals Limited (having previously served as its Managing Director) and Lincoln Minerals Ltd and has numerous private interests.

Mr Chrisp is a member of the Company's Remuneration and Nomination Committee.



## Mr Peter Hunt

**Chairman (Independent) | Appointed 15 Dec 20 | Chairman since 30 Jun 21**

Mr Hunt was appointed initially as a Non-Executive Director of the Company on 15 December 2020. He was a former consultant to BDO Australia, which acquired PKF Adelaide of which Mr Hunt was senior partner in 2012. He is a member of the Institute of Chartered Accountants in Australia.

Mr Hunt is an experienced company director and has been a director and chairman over several decades of a number of ASX listed mineral exploration and technology-oriented companies.

Mr Hunt is a member of the Company's Audit and Risk Management Committee and the Remuneration and Nomination Committee.



# Corporate Summary

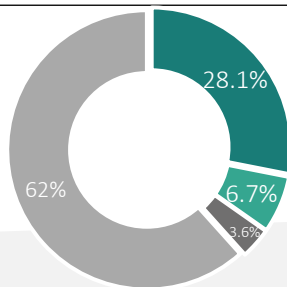


## Capital Structure

Ordinary shares on issue	608.8 million
Unlisted options (\$0.05, expiry 31 Dec 23)	78.2 million
Share Price (5 August 2022)	A\$0.17
Cash Balance (30 June 2022)	~A\$13.4 million
Market Capitalisation (5 August 2022)	A\$103.5 million
Diluted Market Capitalisation*	~A\$113.2 million

\* Includes ordinary shares to be issued upon conversion performance rights on issue and dilution from options on issue.

## 12 Month Price, Volume and Rock Phosphate Performance



## Shareholding structure

- CXM Trust & ANZ Resources Corp (Director related entity's): **171 million**
- WISCO International Resources Development & Investments: **40 million**
- Baotou Iron & Steel (Group): **22 million**
- Other

# Company Asset Overview



# Ardmore Phosphate Rock Mine

*A uniquely positioned, low risk Mine delivering premium quality product to the fertiliser market*

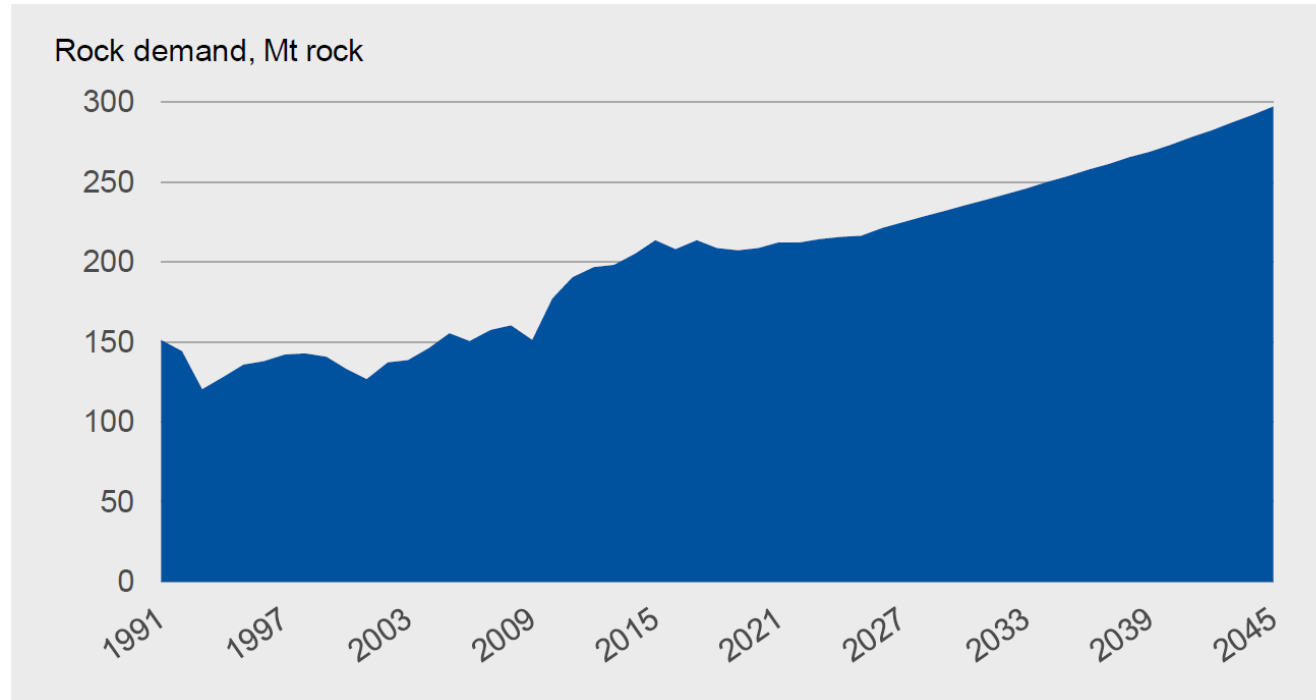
**CENTREX**



# The Phosphate Market

- Phosphorous is a macro nutrient - required by every living cell.
- There is no substitute for Phosphate.
- Phosphate Rock and Potash are different products.
- Approximately 75% of rock phosphate is used to produce phosphoric acid, which is used to produce high phosphate content fertilisers.
- The current Australasian market consumption of phosphates is approximately 400,000 tonnes in Australia and 600,000 tonnes in New Zealand which is largely sourced from major global producing areas which include North Africa, Vietnam and China.
- Australia imports 100% of its high grade Phosphate Rock usage. The Ardmore Mine is the first exporter of high grade Phosphate Rock in Australia.
- IBIS world reports CXM's Ardmore Phosphate Rock Mine is set to reduce Australia's reliance on imported phosphate rock.
- Ardmore's high-grade product is experiencing strong demand due to:
  - High grade allows for processes to produce high phosphate content products;
  - Low cadmium content compared to many other phosphates;
  - Its attractiveness as a blending medium;
  - % P transportation cost savings/t;
  - Phosphate demand is estimated to grow 3% annually (graph next slide);
  - Disruption to other high grade producer - Russia; and
  - Demand growth in China.

# The Phosphate Market

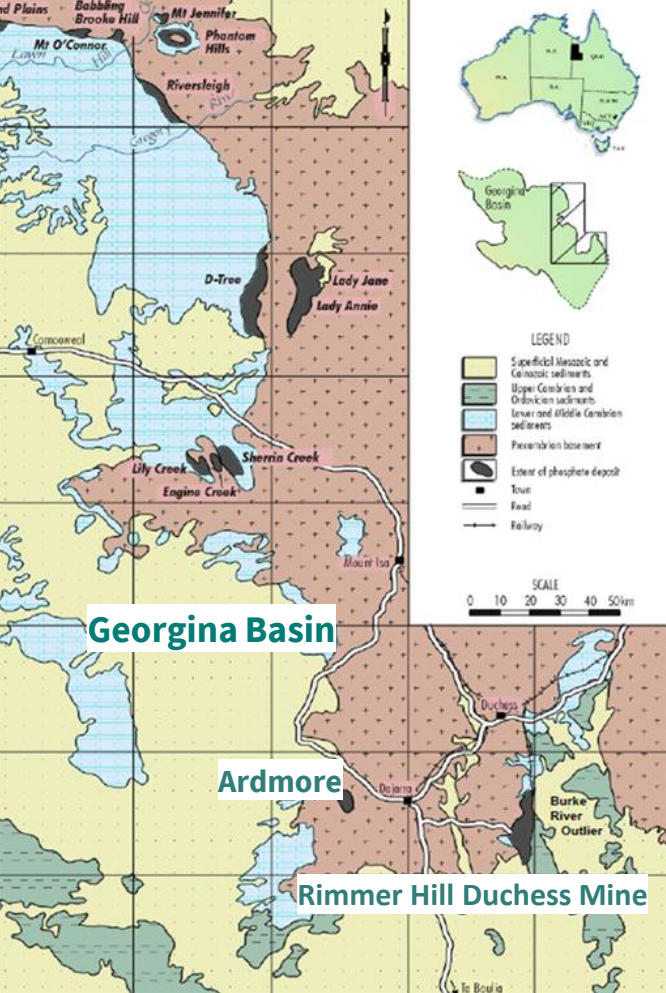


DATA: CRU

Global Phosphate Rock demand

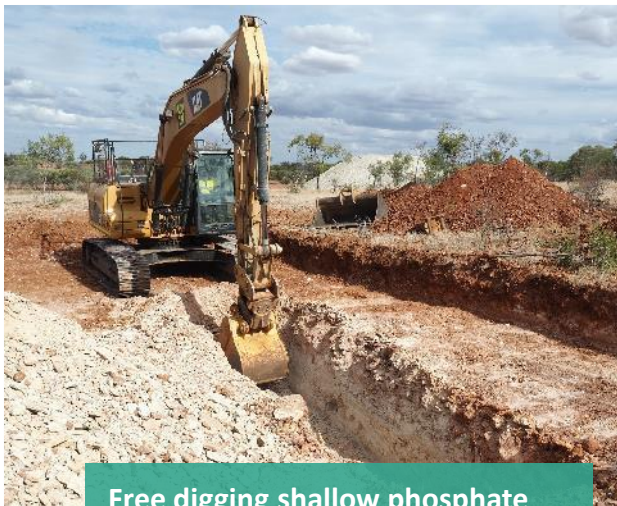


# Ardmore Mine History

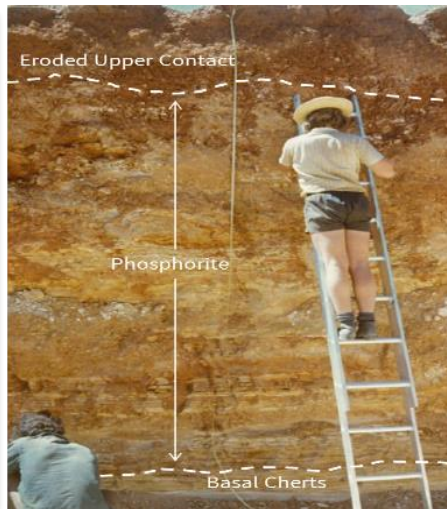


- In the 1960s and 1970s Broken Hill South discovered several phosphorite deposits on the eastern margin of the Georgina Basin in Queensland.
- 3 high-grade deposits were drilled out: Duchess and Rimmer Hill in the Duchess Embayment, and Ardmore in the Ardmore Outlier around 80km further west.
- Mining Leases were granted over all three deposits in the mid-70s.
- The largest Duchess deposit was prioritised for development, currently the feed stock to Incitec Pivot's (ASX: IPL) Phosphate Hill ammonium phosphate fertiliser plant located at the mine site.
- Duchess produces 2.1 million tonne per annum with >50 years of mine life remaining.
- The smaller Ardmore deposits had remained undeveloped.

# Deposit, Resources and Reserves



Free digging shallow phosphate rock at Ardmore - 2018



- The Ardmore deposit is hosted in the same Cambrian sedimentary package as the nearby Duchess Mine.
- Phosphate mineralisation occurs in two units within the same formation; an upper high-grade (>30% P<sub>2</sub>O<sub>5</sub>) phosphorite member, and a basal lower grade (10-15% P<sub>2</sub>O<sub>5</sub>) phosphorite member with a series of cherts.

	Category	Million Tonne	P <sub>2</sub> O <sub>5</sub> %
Mineral Resources	Measured	3.3	29.8%
	Indicated	11.1	27.4%
	Inferred	1.7	26.8%
	<b>Total</b>	<b>16.2</b>	<b>27.8%</b>
Ore Reserves	Probable	7.3	30.2%
	Proven	2.8	30.3%
	<b>Total</b>	<b>10.1</b>	<b>30.2%</b>

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 presentation continue to apply and have not materially changed.  
Note: Footnotes are in appendix

# Ardmore Mine Highlights



## Mine economics

- August 2021 Updated DFS for Ardmore Mine delivers an ungeared pre-tax NPV<sup>7</sup> of A\$207m and IRR of 52%.
- Capital cost estimate of A\$78m, providing an initial payback of < 2 years.
- 10-year mine life in Reserves.
- Assumed North Africa Benchmark Price FOB US\$125/mt (July 22 FOB US\$320/mt).
- Assumed Exchange rate US\$0.74:A\$1.00 (Currently US\$0.70:A\$1.00).
- Further upside through improved logistics, reverse flotation, increased resource to reserve conversion and exploration potential.

## Premium quality product

- Premium grade phosphate rock product is in high demand globally.
- Unique ultra-low cadmium content provides capability.
- Premium grade product can improve inferior product quality.

## Risk profile

- Simple open cut operation, low cost, low strip-ratio mining located on granted mining lease.
- Simple processing using traditional and well understood techniques.
- Current operating plant de-risks future development and generates early free cash.
- 100% of the first three years available production reserved for quality customers.

## Operational Metrics

- Annual production of 800,000 wet tonnes per annum.
- Annual base case gross revenues of A\$146.78M (A\$397.3M using updated FOB US\$320/t July 22) post ramp-up.
- August 2021 DFS EBITDA of A\$43.59M per annum post ramp up.

DFS reference : <https://app.sharelinktechnologies.com/announcement/asx/a33bd835a55e1350ee901f6eeef0cba5>

# Ardmore Future Development

## Stage 1 - Beneficiated Product

- ✓ Trial plant engineering
- ✓ Appoint Mine Site Team
- ✓ Order long lead items
- ✓ Begin construction (June 22 completion)
- ✓ Arrange temporary logistics solution
- ✓ Commence trial shipment customer sales
- ✓ Updated Environmental Authority - Expected March 22
- ✓ Potential for expanded trial shipments up to 240,000t p.a.

## Stage 1.5 - Beneficiated Product (Increase Initial Plant Capacity)

- ✓ Plant 1.5 FEED commenced
- ✓ Long lead items identified
- ✓ Significant latent capacity recognised
- ✓ Review of logistic constraints underway
- ✓ Low capital and high return investment
- ✓ Stage 2 synergies identified
- ☐ Appoint Sales/Marketing Team
- ☐ Target completion (Q4 23)
- ☐ Potential for Beneficiated Product up to 600,000t p.a.
- ☐ Potential DSO market identified

## Stage 2 - Beneficiated Product (800,000 tonnes per annum)

- ✓ Optimisation of plant location
- ✓ Stage 1 improvements incorporated into final design
- ✓ GR Engineering Services appointed
- ✓ Appoint Financing - BurnVoor Corporate Finance and Naust Capital
- ☐ Financial Investment Decision (FID)

# Logistics and Marketing

## Logistics

- Initial contract signed with Logistical Contractor for transport from the Ardmore Mine to the Port of Townsville. This covers:
  - supply chain inputs for transportation of first production;
  - provision by Contractor of terminal services between Mt Isa and Townsville;
  - storage within the supply chain;
  - associated capital infrastructure investment by Contractor; with
  - first export shipment planned for September 2022.



## Marketing – 100% of first 3 years production allocated

- Southern Cross Fertilizer hold a 30% right of first refusal over available annual production.
- Samsung appointed as sole and exclusive Marketing Representative for sales into Korea, Japan, Indonesia, India and Mexico, whereby Samsung has 20% right of first refusal over available annual production for first 3 years.
- Ravensdown Limited and Ballance Agri-Nutrients Limited signed shipment agreements, both with 20% first right of refusal over available annual production for first 3 years.
- Ameropa Limited signed a shipment agreement with first right of refusal for the remaining 10% of available annual production for first 3 years.



# Ardmore Mine Update August 2022

- Ardmore Beneficiation Plant nameplate capacity achieved metallurgical design performance.
- The Plant has consistently and reliably achieved design throughput of 70 tph (wet)
  - Stage 1.5 – targeting 125 tph (wet) feed of phosphate rock.

## Metallurgical performance

- Metallurgical performance has exceeded design:
  - +34.5%  $P_2O_5$  final product grade achieved from a 30-31%  $P_2O_5$  feed grade.
  - Combined  $Al_2O_3$  and  $Fe_2O_3$  grade impurity level is below the preferred market acceptance level (<3%).

## Logistics

- Transport of final product to Townsville has commenced.
- The first export shipment is planned for September 2022.
- Initial transported product rate of 10,000t per month is scheduled.
- Transported production rate to progressively increase up to 30,000t per month during FY23.



# Ardmore Mine



Open Cut Mine



Crushed Rock Phosphate



Beneficiated Product

# Ardmore Mine



Beneficiated Product loading



Drying Cell construction



Ardmore Beneficiated  
Product leaving for Port

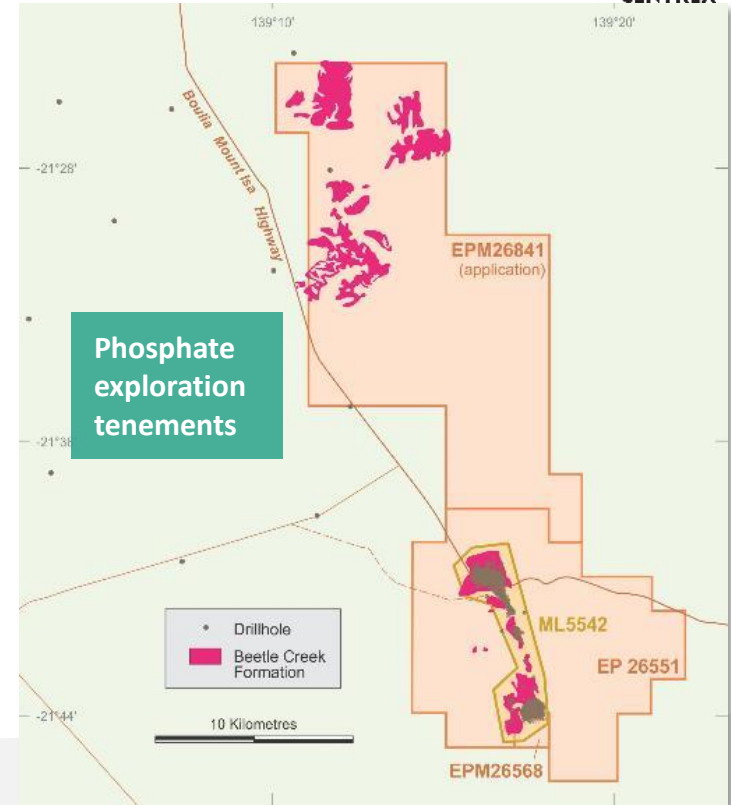


# Value Milestones – Progress To Full- Scale Production



# Options for Growth

- Scope to increase mine life via conversion of Resources to Reserves.
- Centrex has identified exploration potential in the Georgina Basin.
- Centrex is targeting high-grade phosphate similar to Ardmore.
- REE are present on the Mining Lease. Opportunity to be further explored.
- Existing known Phosphate Rock deposits are being investigated in the region.



# Other Mines

## Oxley Potassium Deposit

- Simple open cut mining

GERALDTON  
PORT ●  Oxley

● PERTH

## Gouldburn Base Metals Mine

- 3 existing leases with zinc and copper drilling intercepts

ADELAIDE ●  
**Head Office**

Gouldburn 

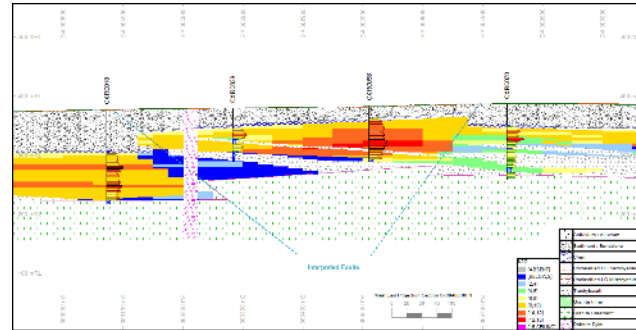
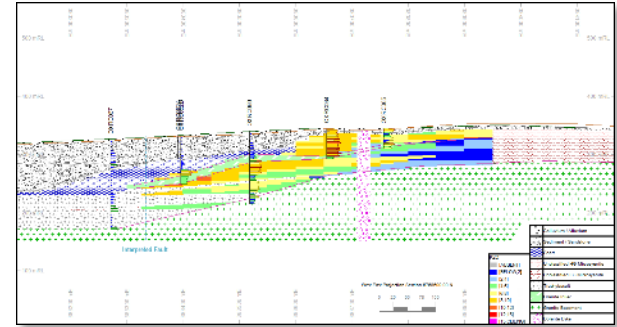
● SYDNEY



# Oxley Potassium Deposit



- 32km strike length.
- Dominantly composed of potassium feldspar.
- Outcropping and shallow dipping meaning simple open cut mining.
- Currently undertaking Hydrothermal test work due for completion September 2022.
- Current 155 million tonne Inferred Resource at 8.3% K<sub>2</sub>O (6% K<sub>2</sub>O cut-off) over 3km section of deposit.
- Inferred Resource includes 38 million tonne at 10% K<sub>2</sub>O (9% K<sub>2</sub>O cut-off).
- Rock chips over entire length show consistent high potassium grades.

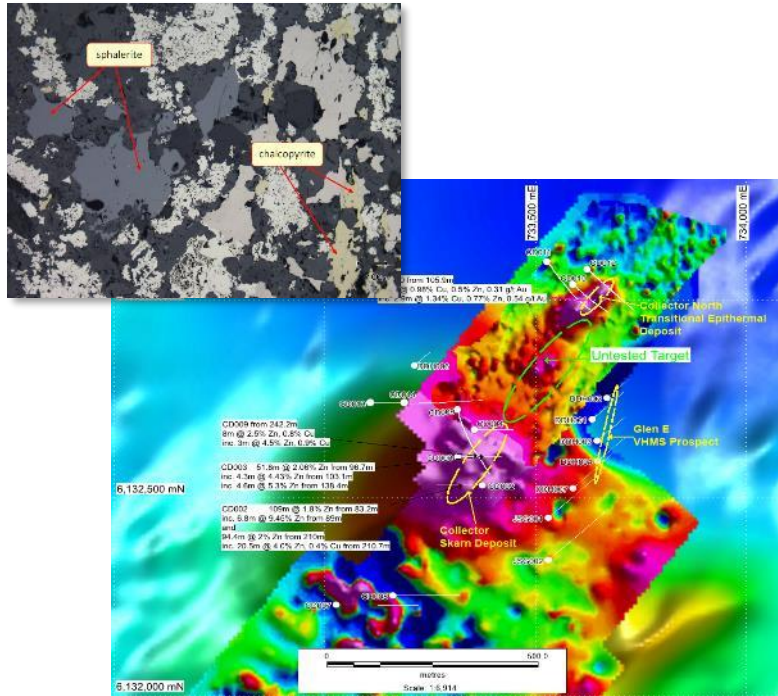


For full details of the Inferred Mineral Resource please see announcement 8<sup>th</sup> March 2016:

<http://www.asx.com.au/asxpdf/20160308/pdf/435nrchjm48mjx.pdf>

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# Goulburn Zinc Mine



- Located in the East Lachlan Fold Belt.
- Drill ready DHEM targets from 250m depth proximal to existing massive sulphides at Collector.
- 3 existing leases with significant zinc and copper drilling intercepts;
  - 25.2m at 4.1% Zn, 0.8% Cu & 0.1% Pb from 86m depth (inc. 6.3m @ 9.9% Zn, 0.7% Cu)
  - 25.2m at 3.3% Zn & 0.2% Cu from 113m depth (inc. 3.8m @ 6.7% Zn, 0.3% Cu & 0.1% Pb)
  - 35.2m at 2.3% Zn & 0.3% Cu from 141m depth (inc. 7.6m @ 4.6% Zn, 0.2% Cu & 0.1% Pb)
  - 20.4m at 3.9% Zn, 0.4% Cu & 0.5% Pb from 211m depth

For full details of the DDH C2 drilling results see announcement 17<sup>th</sup> June 2014; <http://www.asx.com.au/asxpdf/20140617/pdf/42q7znkpj7hkbv.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.

# Thank you



**CENTREX**

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# Appendix

## Primary Brand (Holding Company)



CENTREX

Discovering and developing solutions to meet the world's resource needs.

### CENTREX BRAND TREE

#### Sub Brands



(fertilizer, inoculants, animal feeds)

Mission Statement

Vision

0- 3 year Road map

Brand connects with the  
agriculture industry.

Sub Brands -

#### MATERIALS FOR SHELTER

Building Materials  
Fe, Zn, Mn, other building  
materials

Mission Statement

Vision

2- 5 year Road map

This brand will connect with  
the metals/building industry.

#### MATERIALS FOR WATER

Purification treatments

Mission Statement

Vision

2- 5 year Road map

This brand will connect with  
the water industry.

#### MATERIALS FOR ENERGY

Materials  
P, Cu, Pb, Ni, C, Bio Gas, N

Mission Statement

Vision

2- 5 year Road map

This brand will connect with  
the energy industry.

#### MATERIALS FOR AIR

Carbon abatement/sequestration .

Mission Statement

Vision

2- 5 year Road map

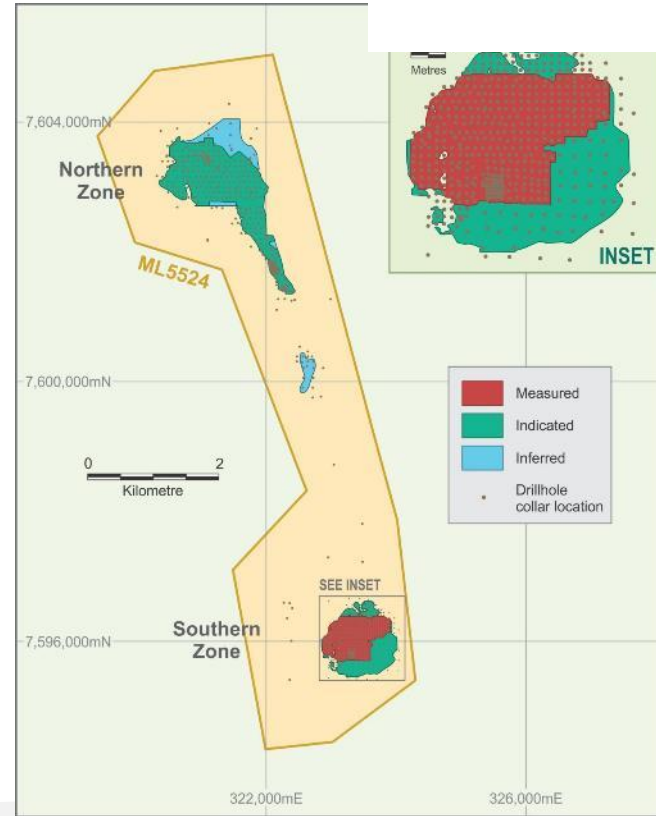
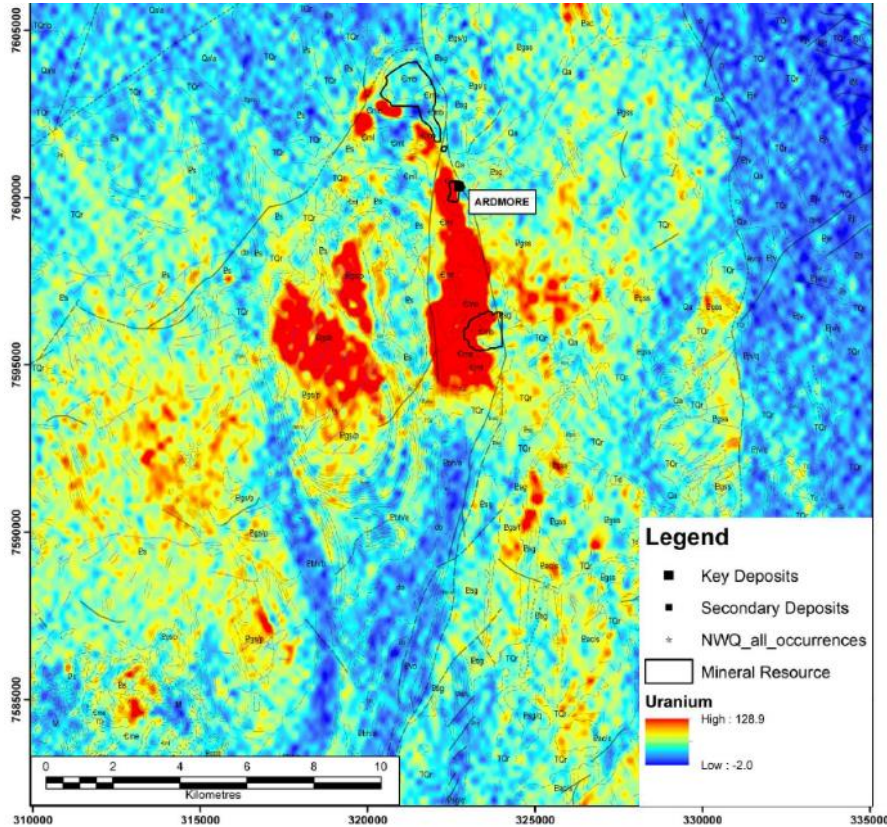
This brand will connect with  
the clean air industry.



PRODUCTS FROM EACH COMPANY



# Ardmore Mineral Resource



# Ardmore Trial Plant Product Specification



	P <sub>2</sub> O <sub>5</sub>	Fe <sub>2</sub> O <sub>3</sub>	Al <sub>2</sub> O <sub>3</sub>	CaO	SiO <sub>2</sub>	MgO	Na <sub>2</sub> O	K <sub>2</sub> O	F	TOC	Cd	Pb	As	U
	%	%	%	%	%	%	%	%	%	%	ppm	ppm	ppm	ppm
DFS Product Spec	34.5	2.5	1.0	49.1	4.8	0.2	0.5	0.1	3.7	0.1	1.1	28.0	28.5	142.5
Current Product Spec	35.3	1.33	1.2	49.9	5.9	0.2	0.5	0.2	Pending	Pending	1.2	27	14.7	92.9

# Ardmore Mine Layout

