



CENTREX

ASX ANNOUNCEMENT

29th February 2024

~A\$10M FINANCING PACKAGE SECURED FROM NATIONAL AUSTRALIA BANK

Centrex Limited (ASX: CXM) ('Centrex' or 'the Company') provides the following update for the Ardmore Rock Phosphate Mine ('Ardmore'), 100% owned by its wholly owned subsidiary, Agriflex Pty Ltd ('Agriflex').

FINANCING ACHIEVED FOR STAGE 1.5 EXPANSION & PRODUCTION RAMP UP

The Company is delighted to announce that it has received credit approval from National Australia Bank Limited ('NAB') for a ~A\$10m secured financing package designated for the Ardmore Mine. The financing package follows the A\$8m placement and A\$2m SPP offer announced on 2 Feb 2024, which underpinned the Company's decision to proceed to Final Investment Decision ('FID') for the Stage 1.5 Expansion at Ardmore ('Expansion').

The finalisation of the finance for the Expansion at Ardmore signals the onset of a transformative phase in the Company's operations. Upon completion of the Expansion, Ardmore's production run-rate will increase from the current ~240,000tpa rate to 625,000tpa by December 2024. This substantial increase in production capacity is set to significantly lift revenues for the Company while also reducing operating costs on a per-tonne basis. Furthermore, the Expansion will cement the Company's position as a major and dependable supplier of rock phosphate in the key Asia-Pacific market, thereby underpinning food security throughout the region.

NAB SECURED FINANCING PACKAGE DETAILS

The total funding package secured from National Australia Bank, which totals A\$9.97m¹, is comprised of the following items across the following entities:

Items	Amount	Purpose
Agriflex Pty Ltd		
Master Asset Finance Agreement ²	\$5.00m	Stage 1.5 CAPEX
Standalone Equipment Finance ²	\$3.80m	Crushing Plant refinance/balloon
NAB Bank Guarantee ³	\$1.00m	Mine Guarantee
NAB Corporate Card	\$0.15m	Transactional
Agriflex Pty Ltd Sub Total	\$9.95m	
Centrex Ltd		
NAB Corporate Card	\$0.02m	Transactional
Centrex Ltd Sub Total	\$0.02m	
Finance Package Total	\$9.97m	

¹ Subject to Senior Secured first ranked GSA over all entities in the group.

² All equipment/asset financing is provided on a 5 to nil year term and all assets need to be valued and acceptable to the bank under both facilities.

³ Requires cash-backing at all times.

The interest rate applicable to the Master Asset Finance Agreement and Standalone Equipment Finance facilities will be reflective of comparable rates for tier-1 secured asset finance, with the exact applicable rate calculated upon each drawdown. Crystallised Interest rates will be disclosed in the Company's quarterly Appendix 5B. As customary, the Company expects to complete the final execution of all relevant documentation with NAB over the coming weeks.

MANAGEMENT COMMENTARY

Robert Mencil, CEO and Managing Director of Centrex Ltd, commented:

"Securing the support of a tier-1 bank is a powerful endorsement of the Ardmore Mine's potential and our Company's strategic growth plans. As we previously alluded to in our ASX release on the 2nd of February 2024, our strategic decision to strengthen our balance sheet has enabled us to pursue higher-quality sources of financing. This has not only lowered our overall financing costs but has also come with fewer stringent requirements, ensuring that the Company remains unencumbered by any burdensome conditions.

We now have clear funding visibility to conclude the Stage 1.5 Expansion at Ardmore on budget and on schedule. By securing this debt for Ardmore, we are on track to enhance operational capacity, drive revenue growth, and solidify our position as a leading supplier in the market. I would like to acknowledge our Company's finance team, led by our Chief Financial Officer, Cormac Byrne, for their exceptional efforts in securing this highly favourable outcome for the Company. We look forward to collaborating with National Australia Bank and extend our gratitude for their support of our Company."

EFA WORKING CAPITAL FACILITY UPDATE

The Company notes the closure of its previous US\$3.5 million working capital facility through Export Finance Australia ('EFA'). In light of this, the Company has resumed discussions with EFA with the aim of securing a larger facility to accommodate the increased volumes expected to be handled throughout CY2024 and beyond.

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

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About Centrex Limited

Centrex Limited is looking to secure Australasia's sustainable agriculture future through the exploration and development of its wholly owned Ardmore Phosphate Project and Oxley Potash Project. The products from both projects are necessary ingredients for global food production and human nutrition. The Centrex Limited fertiliser projects are located near to established energy and transport infrastructure that are necessary for access to established agricultural markets. The Company is also continuing its copper-gold-base metal exploration projects near Goulburn in the Lachlan Fold Belt in New South Wales.

Past and future performance –This Announcement contains forward looking statements. Forward-looking statements generally relate to current expectations, hopes, beliefs, intentions, strategies or productions about future events or Centrex's future financial or operating performance. For example, statements regarding anticipated growth in the industry in which Centrex operates and anticipated growth in demand for Centrex's products and services, projections of Centrex's future financial results and other metrics are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "pro forma", "may", "should", "could", "would", "might", "plan", "possible", "project", "strive", "budget", "targets", "aims", "outlook", "guidance", "forecast", "expect", "intend", "will", "estimate", "anticipate", "believe", "perceives", "predict", "potential" or "continue", or the negatives of these terms or variations of them or similar terminology, but the absence of these words does not mean that a statement is not forward-looking. Such forward-looking statements are subject to risks, uncertainties, and other factors which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. These forward looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance and may involve known and unknown risks, uncertainties and other factors, many of which are outside the control of Centrex. You are cautioned not to place undue reliance on any forward looking statement. Forward looking statements in this Announcement are based on assumptions and contingencies which are subject to change without notice. Actual results, performance or achievements may vary materially from any forward looking statements and the assumptions on which statements are based. The forward looking statements in this Announcement are based on information available to Centrex as at the date of this Announcement and nothing in this Announcement should be regarded as a representation by any person that the forward-looking statements set forth herein will be achieved or that any of the contemplated results of such forward-looking statements will be achieved. Except as required by law or regulation, Centrex its related bodies corporate and their respective officers, employees and advisers disclaim any obligation or undertaking to provide any additional or updated information whether as a result of new information, future events or results or otherwise.