CENTREX METALS LIMITED

ASX Announcement July 2014

KIMBA GAP IRON ORE PROJECT

General Manager 29 July 2014

The Company Announcements Office
Australian Securities Exchange
Electronic Lodgement System

Dear Sir/Madam

RE-SUBMISSION OF ANNOUNCEMENT OF KIMBA GAP MINERAL RESOURCE

Centrex Metals Limited ("Centrex") advises that it is re-submitting the announcement from earlier today to meet the specific requirements of ASX Listing Rule 5.7.2.

The drilling results required by ASX Listing Rule 5.7.2 were included as a table within the JORC Table 1 report of the announcement. They have now been shown separately in their own appendix as is required by the rule.

Yours sincerely

Gavin Bosch
Company Secretary

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Dear Sir/Madam

CENTREX ANNOUNCES MAIDEN 487MT MINERAL RESOURCE AT KIMBA GAP

Highlights

- Maiden Mineral Resource of 487Mt estimated at third major magnetite iron ore project in South Australia 60km west of Whyalla, 150km north of Port Spencer
- High quality magnetic concentrate at 68.6% Fe and 2.9% SiO_2
- Potential to recover hematite and goethite from tailings to lift product mass recovery
- Centrex to progress Mineral Claim over the project and secure remaining rights from adjacent iron ore miner Arrium
- Marketing underway to seek third iron ore joint venture
- Baotou Iron & Steel to consider Kimba Gap results in line with Bungalow Magnetite Joint Venture Prefeasibility Study located just 50km south

Summary

Centrex Metals Limited ("Centrex") recently completed an 8,735m combined reverse circulation ("RC") and diamond drilling program at its Kimba Gap iron ore project located 60km west of Whyalla, and 150km north of Port Spencer on the Eyre Peninsula in South Australia.

Independent mining consultant OreWin Pty Ltd ("OreWin") has reviewed the drilling data and completed a geological model, which has resulted in an Inferred Mineral Resource of 487Mt at an average head grade of 24.7% Fe and Davis Tube Recovery ("DTR") of 18.5%.

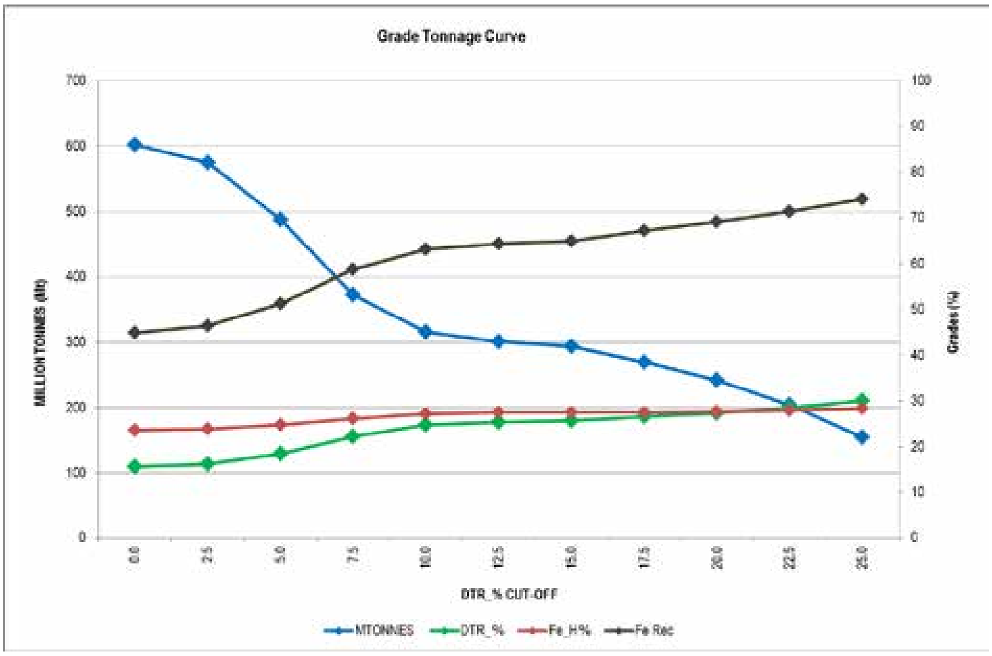
The Inferred Mineral Resource is supported by 36 combined RC and diamond drill holes, with nominal 3m chip or quarter core sample spacing, with DTR and XRF analysis of both the head and concentrate samples. Additional information used to define the Inferred Mineral Resource included surface mapping and rock chip sampling as well as high resolution air-borne magnetic data. The Appendix below outlines the relevant drill hole information.

The table below summarises the Inferred Mineral Resources as estimated by OreWin[1]. Based on the DTR results a very high quality pellet feed product could be produced at 68.6% Fe and 2.9% SiO_2.

Inferred Mineral Resources							
	Tonnage (Mt)	Head Grade		DTR (%)	Concentrate Grade		Fe Recovery (%)
		Fe (%)	SiO_2 (%)		Fe (%)	SiO_2 (%)	
Total Inferred Resource (>5% DTR)	487.1	24.7	53.8	18.5	68.6	2.9	51.2
Including High Grade (>25% DTR)	154.5	28.4	52.9	30.1	70.0	2.4	74.2

*DTR (percent weight recovery) and concentrate results were from work performed at P80 38µm grind.

A grade versus tonnage curve is plotted below showing the average DTR, Fe head grade and Fe recovery using various DTR cut-offs.



Mineral Resource estimates were developed by OreWin in accordance with the JORC Code (2012).

The Mineral Resources are composed of magnetite bearing banded iron ore formation (“BIF”). Iron recovery for the total Inferred Mineral Resource shows that almost half of the iron within the BIF is weakly or non-magnetic (not magnetite). This is thought to be predominantly related to varying levels of oxidation of magnetite to hematite and goethite within the deposit. An opportunity may exist to add a hematite/goethite scavenger circuit to a magnetic separation plant and recover a proportion of these iron oxides, lifting the overall product mass recovery. Centrex has previously reported encouraging test work results at its Bungalow magnetite project successfully recovering hematite from magnetite tailings via heavy liquid separation (“HLS”).

For the Bungalow HLS results refer to the announcement 31st of July 2013:

http://www.asx.com.au/asxpdf/20130731/pdf/42hc35m9yyb297.pdf

The cross section below displays the results of a number of drill holes that were spaced approximately 80–100m apart and broadly oriented across the strike of the mineralization.

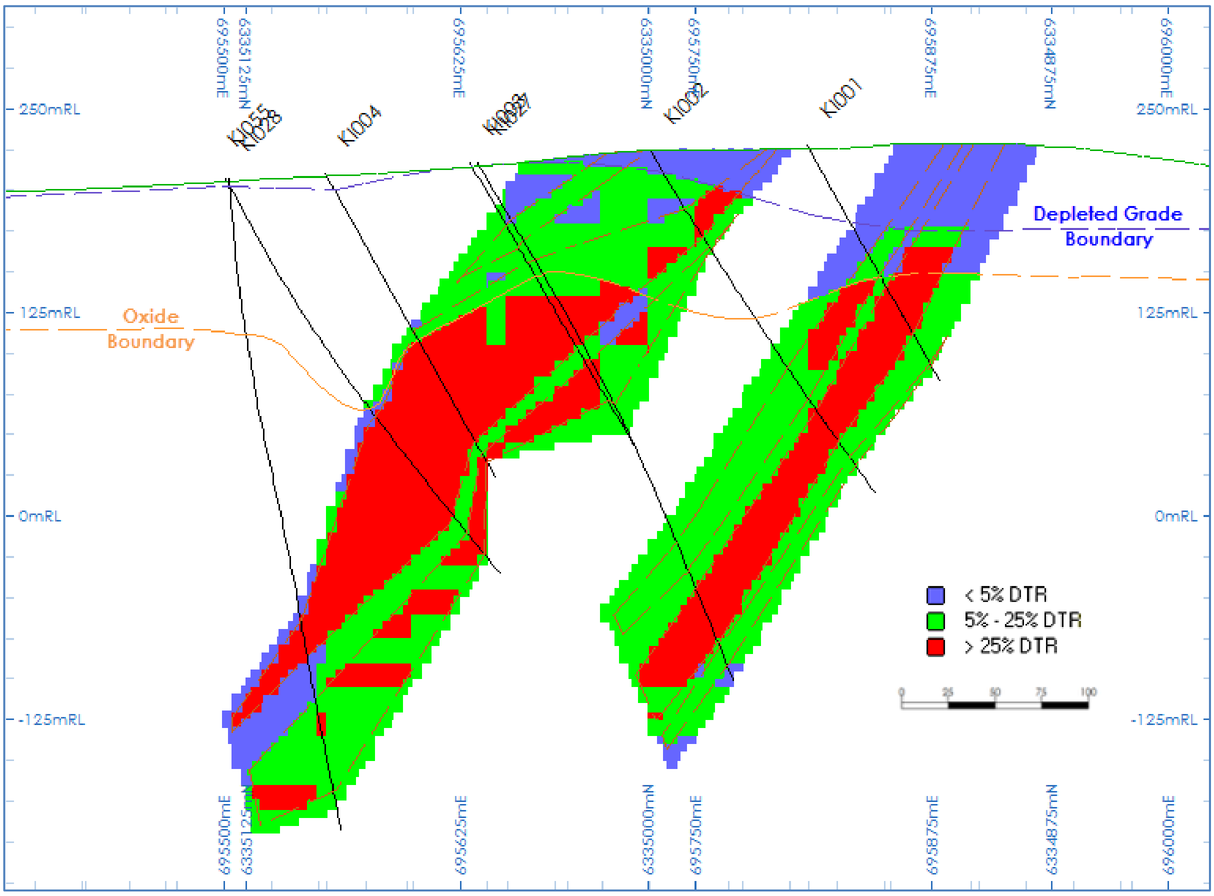


Figure: A representative cross section displaying drill hole traces and DTR grade distribution.

Project Overview

The Kimba Gap iron ore project comprises two parallel moderate to steeply dipping outcropping banded iron formations ("BIF") that extend some 4.6km. The two BIF units were defined from outcrop mapping, surface sampling, geophysical surveys, and resource definition drilling.

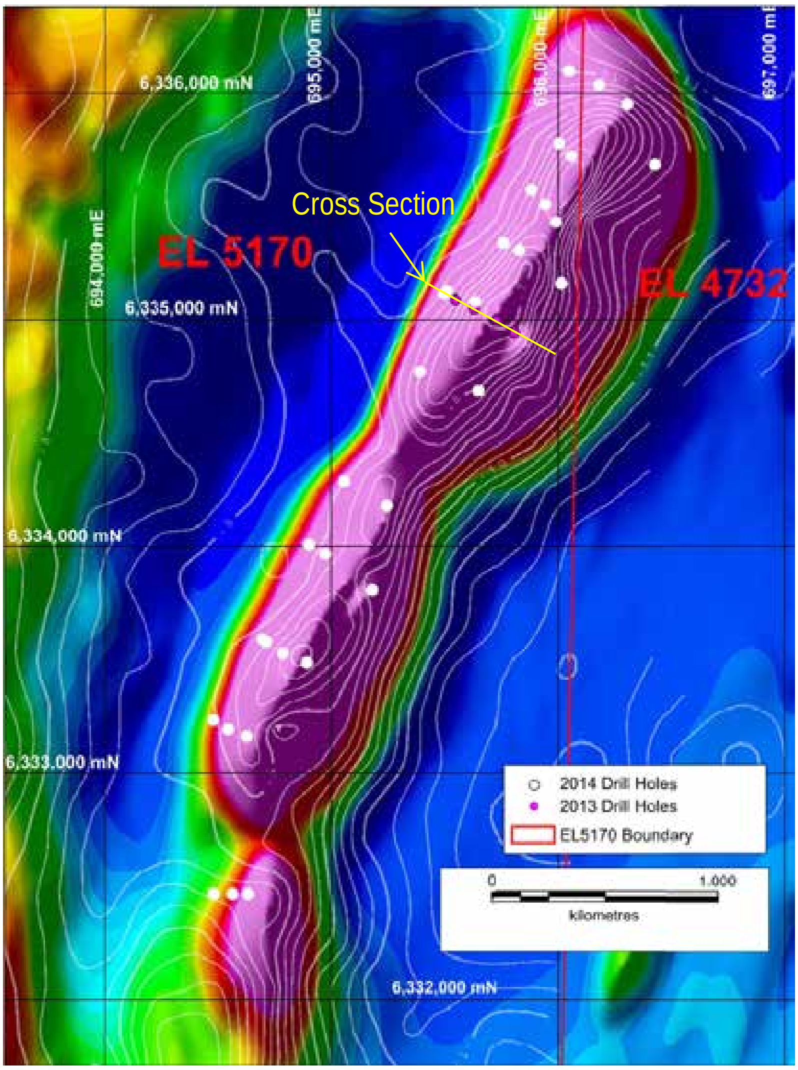


Figure: Plan of the Kimba Gap drill holes and location of cross section shown over a total magnetic intensity map, gravity contours and tenement boundaries.

Centrex signed a dual tenancy agreement in July 2013 covering the 600m portion of the deposit on Arrium Mining's ("Arrium") tenement EL4732. The agreement gave Centrex the right to conduct an 18 month exploration program over the area that commenced in December 2013, during which time Centrex can elect to lodge a Mineral Claim in its own name over the area. Centrex made an initial payment of A$200,000 to Arrium for the right and will pay another A$300,000 on lodging a Mineral Claim. During the dual tenancy if Centrex discovers >1Mt of DSO (>50% Fe) of resources on EL4732, Arrium may elect to mine this portion of the deposit in its own right or alternatively allow Centrex to mine it for a 5% royalty. All non-DSO iron ore (<50% Fe) will be 100% owned by Centrex without royalties. The Kimba Gap project is located adjacent to Arrium's existing hematite and magnetite mining operations.

The establishment of the Kimba Gap Inferred Mineral Resource will enable Centrex to lodge a Mineral Claim and secure full rights to the magnetite deposit, it will also aid in attracting a foreign investment partner for the project. Centrex is currently marketing the project in the hope of establishing its third major iron ore joint venture.

Kimba Gap is located just 50km north of one of Centrex's existing iron ore joint ventures with Baotou Iron & Steel (Group) Co. ("Baotou") at the Bungalow project. In May 2014 Centrex received a request from Baotou for the Prefeasibility Study being undertaken at Bungalow to be extended to analyses potential synergies in utilising common supporting infrastructure with Kimba Gap given the very similar nature of the projects.

Figure: Centrex GM Exploration Alastair Watts alongside drilling operations at Kimba Gap.

For further information please contact:

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Appendix – Kimba Gap Drill Hole Information.

BHID	COLLAR COORDINATES (m)			AZIMUTH	DIP	EOH	MINERALIZED INTERVALS (m)			DTR_%
	Easting	Northing	RL			Depth	FROM	TO	LENGTH	
KI001	695,806.6	6,334,946.3	227.2	120	-62	165.6	61.5	64.5	3.0	7.9
							73.5	91.2	17.7	19.5
							100.2	141.7	41.5	30.6
							147.7	156.1	8.4	11.3
KI002	695,729.1	6,335,004.0	223.4	120	-60	250.5	43.0	63.0	20.0	24.3
							70.5	72.3	1.8	23.1
							143.1	183.7	40.6	21.4
							187.0	232.3	45.3	25.6
KI003	695,629.3	6,335,052.3	215.9	121	-60	201.4	33.5	35.3	1.8	15.8
							44.7	58.8	14.1	16.4
							69.4	130.4	61.0	30.7
							142.0	156.4	14.4	23.7
							162.2	168.4	6.2	28.0
							172.7	175.8	3.1	11.8
KI004	695,548.5	6,335,091.7	209.7	117	-60	213.6	106.7	170.4	63.7	31.9
							174.6	203.3	28.7	30.3
KI006	694,640.6	6,332,465.4	172.6	90	-60	168.0	77.0	106.0	29.0	24.6
							128.0	137.0	9.0	15.6
							143.0	149.0	6.0	15.2
KI007	694,571.6	6,332,462.6	169.8	90	-61	237.5	148.0	151.0	3.0	6.5
							160.0	183.3	23.3	26.3
							204.2	207.3	3.1	31.1
KI008	694,490.1	6,332,461.4	166.8	90	60	144.0	-	-	-	-
KI009	694,632.6	6,333,158.0	199.5	120	-59	181.0	20.0	56.0	36.0	20.9
							68.0	83.0	15.0	13.8
							89.0	127.0	38.0	20.1
							155.0	170.0	15.0	17.2
KI010	694,547.7	6,333,189.4	191.3	118	60	216.3	139.0	168.6	29.6	28.4
							175.2	200.0	24.8	24.4
KI011	694,482.7	6,333,231.9	186.9	120	-65	341.3	158.0	164.0	6.0	8.9
							283.0	310.6	27.6	29.9
							321.7	336.1	14.4	20.2
KI012	694,895.3	6,333,483.2	211.5	120	-61	102.0	1.0	4.0	3.0	10.0
							77.0	86.0	9.0	13.0
KI013	694,788.1	6,333,526.1	203.6	120	-62	313.0	59.0	65.0	6.0	13.8
							83.0	116.0	33.0	14.9
							122.0	134.0	12.0	19.9
							195.0	213.0	18.0	20.8
							219.0	225.0	6.0	9.4
							237.0	240.0	3.0	5.0
							285.0	288.0	3.0	32.3
KI014	694,715.2	6,333,574.2	197.7	124	-60	150.9	147.2	150.9	3.7	5.3
KI016	695,184.8	6,333,809.9	230.8	0	-90	133.0	13.0	19.0	6.0	19.6
							25.0	58.0	33.0	28.2
							64.0	82.0	18.0	12.6
							94.0	124.0	30.0	24.7
KI017	694,971.5	6,333,967.4	203.1	120	-61	360.6	123.0	160.2	37.2	27.9
							167.0	201.8	34.8	15.7
							237.1	273.3	36.2	16.8
							322.0	331.0	9.0	6.0
KI018	694,911.6	6,334,003.1	198.2	120	-60	351.9	209.8	234.7	24.9	36.2
							242.9	278.4	35.5	17.4
							285.0	309.0	24.0	15.4
							314.3	336.5	22.2	26.3
KI020	695,248.9	6,334,174.4	217.4	0	90	264.0	23.0	26.0	3.0	13.5
							47.0	131.0	84.0	26.8
							140.0	164.0	24.0	15.4
KI021	695,062.4	6,334,282.9	199.8	120	-60	309.6	124.0	139.0	15.0	11.0
							161.6	164.7	3.1	14.4
							169.7	185.0	15.3	13.5
							252.6	263.0	10.4	23.9
							268.0	307.0	39.0	24.7
KI023	695,649.5	6,334,688.2	228.1	120	-59	103.0	37.0	49.0	12.0	6.7
							64.0	91.0	27.0	14.3
KI027	695,633.1	6,335,050.2	216.4	120	-60	355.0	30.0	35.0	5.0	8.6
							40.0	55.0	15.0	17.3
							64.0	82.0	18.0	14.5
							95.0	128.0	33.0	30.0
							140.0	188.0	48.0	19.0
							249.0	345.0	96.0	23.8

BHID	COLLAR COORDINATES (m)			AZIMUTH	DIP	EOH	MINERALIZED INTERVALS (m)			DTR_%
	Easting	Northing	RL			Depth	FROM	TO	LENGTH	
							352.0	355.0	3.0	6.8
KI028	695,490.2	6,335,111.9	206.3	120	-61	295.0	167.0	284.0	117.0	27.4
KI029	696,020.9	6,335,158.8	240.9	0	-90	158.3	111.0	153.2	42.2	22.8
KI031	695,834.8	6,335,302.6	221.2	120	-60	318.8	39.0	180.0	141.0	14.4
							232.0	307.0	75.0	23.1
KI032	695,761.8	6,335,339.1	214.7	120	-60	378.7	97.0	197.0	100.0	22.6
							237.0	246.8	9.8	18.3
							296.7	370.0	73.3	22.6
KI033	695,949.4	6,335,507.9	220.9	120	-58	312.0	39.0	47.0	8.0	16.5
							53.0	167.0	114.0	22.5
							246.0	309.0	63.0	22.1
KI034	695,884.1	6,335,568.1	213.7	120	-61	414.8	20.0	23.0	3.0	5.9
							120.0	149.4	29.4	26.7
							156.4	199.0	42.6	29.1
							204.4	230.7	26.3	26.4
							256.3	274.6	18.3	26.0
							321.1	322.2	1.1	16.3
							335.4	384.2	48.8	27.6
							391.5	405.5	14.0	16.1
KI035	696,057.0	6,335,718.7	214.8	120	-60	351.8	29.0	77.0	48.0	17.3
							85.0	88.0	3.0	9.1
							93.0	168.0	75.0	24.5
							174.0	186.0	12.0	29.9
							283.3	344.0	60.7	19.3
KI036	696,004.0	6,335,776.8	208.3	120	-61	420.7	102.0	147.0	45.0	20.9
							153.0	179.1	26.1	31.6
							183.7	211.0	27.3	22.3
							231.3	242.3	11.0	24.5
							310.8	314.2	3.4	18.0
							339.0	342.2	3.2	7.9
							348.8	413.8	65.0	28.3
KI038	696,307.6	6,335,948.4	209.6	120	-61	241.0	19.0	40.0	21.0	17.0
							46.0	68.0	22.0	21.0
							72.0	108.0	36.0	19.5
							120.0	133.0	13.0	35.9
KI040	696,180.5	6,336,032.7	200.6	120	-61	312.6	107.0	114.0	7.0	25.7
							120.0	149.8	29.8	34.9
							157.9	215.0	57.1	31.4
KI046	694,696.9	6,333,589.3	196.3	120	-61	384.7	202.0	227.5	25.5	26.9
							233.5	266.0	32.5	16.1
							324.6	359.4	34.8	22.8
KI049	695,391.0	6,334,771.9	209.2	120	-61	334.0	81.0	101.0	20.0	17.2
							116.0	144.0	28.0	23.1
							152.7	173.2	20.5	22.1
							219.9	226.7	6.8	13.7
							247.1	324.2	77.1	21.8
KI052	695,991.8	6,335,430.9	227.8	110	-55	259.9	15.0	26.0	11.0	6.5
							42.0	59.0	17.0	8.8
							63.0	73.0	10.0	12.1
							86.0	99.0	13.0	19.1
							192.8	195.6	2.8	7.9
							201.5	215.7	14.2	22.4
							219.5	256.8	37.3	32.7
KI055	695,491.6	6,335,110.6	206.4	120	-85	406.2	274.9	289.8	14.9	38.2
							293.3	297.5	4.2	40.4
							321.7	335.4	13.7	20.5
							339.5	393.0	53.5	21.9
KI056	696,045.0	6,336,085.3	195.4	120	-60	320.2	229.7	231.0	1.3	40.3
							236.1	292.4	56.3	31.3
KI062	696,428.2	6,335,681.8	221.5	0	-90	91.0	33.0	37.0	4.0	18.6
							53.0	71.0	18.0	7.2
DRILLHOLE COUNT = 36										

Competent Persons Statement

[1]The information in this report relating to Mineral Resources is based on and accurately reflects information compiled by Ms Sharron Sylvester of OreWin Pty Ltd, who is a consultant and adviser to Centrex Metals Limited and who is a Member of the Australian Institute of Geoscientists (RPGeo). Ms Sylvester has sufficient experience relevant to the style of mineralization and type of deposit under consideration and to the activity she is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Ms Sylvester consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The information in this report relating to Exploration Results is based on information compiled by Mr Alastair Watts who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Watts is the General Manager Exploration of Centrex Metals Limited. Mr Watts has sufficient experience, which is relevant to the style of mineralization and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Watts consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Kimba Gap Magnetite Project JORC Table 1 Report

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	· *Nature and quality of sampling.* · *Sample representivity.* · *Determination of mineralisation.*	Drill samples were a combination of reverse circulation drill chips and quarter NQ2 and HQ3 drill core. For reverse circulation ("RC") drilling, 1m samples were homogenised and riffle split prior to sampling and then further riffle split and composited to nominally 3m intervals based on the lithological/mineralisation contacts. Diamond core samples were nominally 3m lengths of NQ2 and HQ3 quarter core intervals based on lithological/mineralisation contacts. Field duplicates, commercially available certified reference materials standards ("CRM's"), and a mine-matched CRM ("MMCRM") were routinely submitted for QA/QC. The sample weights were nominally 2–3kg. Samples were sent to Australian Laboratory Services (ALS) in Adelaide for processing and sample preparation via crushing to 80% passing 2mm and then a 400g sample was sent to ALS in Perth for pulverising and associated Davis Tube Recovery ("DTR") testing and XRF assaying of the head and concentrate. All samples submitted to ALS underwent DTR testing, including internal waste intervals. Surface rock chip samples collected also underwent DTR testing.
Drilling techniques	· *Drill type.*	RC – 5.5" face sampling hammer was used until ground water inflow required a change to diamond drilling NQ2 (50.8mm) and occasionally HQ3 (61.2mm) to end of hole. Approximately 55% of all samples submitted for assay were RC chips and 45% NQ2 core. Core was orientated with the Ace tool.

Criteria	JORC Code explanation	Commentary
Drill sample recovery	· *Method of recording and assessing sample recoveries.* · *Measures taken to maximise sample recovery.* · *Whether a relationship exists between sample recovery and grade.*	Core recoveries were measured and recorded every run with 98% recovery of sample intervals sent for DTR and assay. RC sample sizes were visually monitored and low sample recovery, due for example to an occasional blocked hammer/rods/inner tubes/cyclone/splitter were noted and the problem rectified as required – as is normal practice. No significant intervals of mineralised material >1–2m had poor sample recoveries. Waste rock above the mineralised contact (BIF) was not routinely sampled. To mitigate any sample recovery issues due to ground conditions, the RC drilling was stopped when bad ground was encountered and the drill hole was completed with diamond core drilling.
Logging	· *Geological and geotechnical logging.* · *Whether logging is qualitative or quantitative.* · *Total length and percentage of the relevant intersections logged.*	Geological logging was quantitative based on visual field estimates. RC chip logging was undertaken to 1m. Core logging was undertaken to < 10cm. Logging is appropriate for Mineral Resource estimation. RQD's and fracture logging was undertaken on drill core. No specific geotechnical or hydrological drilling and testing was completed. The drill core has been retained for future technical evaluation. Samples selected for assay were based on lithology and nominal 3m intervals. All core was photographed. RC chip trays of all sample intervals were collected and retained for future reference. Representative sub-samples of RC chips were retained for future technical evaluation.
Sub-sampling techniques and sample preparation	· *Nature, quality and appropriateness of the sample preparation technique.* · *Quality control.* · *Sample representivity.* · *Sample sizes*	Drill core was cut with a core saw. RC chips were riffle split to 1m and then composited as required with another riffle splitter. RC chip samples were both dry and wet. When water inflow could not be contained the drilling method changed over to diamond drilling. All sample batches included field duplicates, commercially available CRM's, and MMCRM's. Sample preparation was conducted by a reputable laboratory experienced in magnetite – Australian Laboratory Services (ALS). Cyclone and riffle splitters were regularly cleaned at the end of each hole or earlier as required. RC chip field duplicates of the large reject split were riffle split at 1 in 50. Quarter core field duplicates were also taken at 1 in 50. Results from field duplicates showed that the sample size at around 2–3kg is appropriate for the grain size and showed good repeatability.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	· *Nature of quality control procedures.*	A DTR analysis procedure was developed for Centrex by independent engineering firm Engenium, and this procedure was provided to the laboratory. Two commercially available CRM's were submitted randomly every 25 samples. A MMCRM was submitted every 25 samples. Duplicates are systematically collected and assayed to ensure results are repeatable. Comparison of results indicates good overall levels of accuracy and precision. No external laboratory checks have been used.
Verification of sampling and assaying	· *The verification of significant intersections by either independent or alternative company personnel.* · *The use of twinned holes.* · *Documentation of primary data, data entry procedures, data verification, data storage protocols.* · *Any adjustment to assay data.*	All sample results were checked and verified against core logging and photography by alternative company personnel. Geological data is manually entered and stored electronically on a restricted access server in the form of MS Excel files. All electronic data is routinely backed up. Assay results files are checked against geological logging, drill core and RC chips. OreWin Pty Ltd (OreWin) independent geologists have reviewed the sample data and QA/QC data. OreWin was supplied with MS Excel files of geological logs, DTR and assay results, surveyed collar coordinates, down hole Gyro survey results and core photos. No twinned holes have been drilled.
Location of data points	· *Accuracy and quality of surveys.* · *Specification of the grid system used.* · *Quality and adequacy of topographic control.*	Drill holes collar coordinates were located by a licensed surveyor using differential GPS to an accuracy of 0.3m. Down hole GYRO surveys assumed a starting azimuth as of normally 120° with an accuracy of 5°. The grid system used is GDA94 Zone 53. The drill hole collar coordinates are accurate to 0.3m and the surrounding digital terrain model (collected via an airborne magnetics survey) is accurate to approximately +/- 2m.
Data spacing and distribution	· *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource.* · *Whether sample compositing has been applied.*	Drill hole sections have varying lengths along strike from between 240m and 600m. Across section the holes are spaced approximately 80–100m apart. The data spacing and distribution is sufficient to establish the geological and grade continuity for the Mineral Resource classification applied. Sample compositing to 3m within like domains has been applied for the Mineral Resource estimation.
Orientation of data in relation to geological structure	· *Whether the orientation of sampling achieves unbiased sampling .*	Drill holes are broadly oriented across the strike and dip of the mineralization. This is supported by orientated drill core, multiple holes on sections, geophysical magnetics data, and structural measurements taken from outcrop mapping.

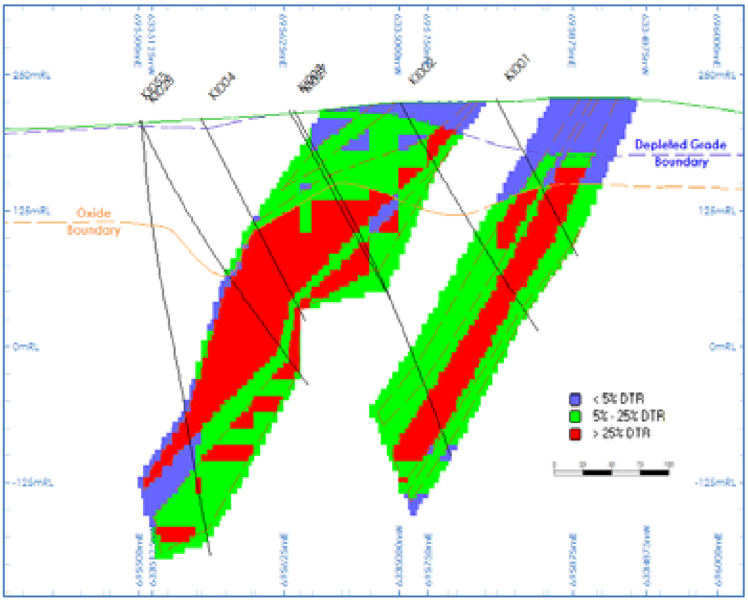
Criteria	JORC Code explanation	Commentary
Sample security	· *The measures taken to ensure sample security.*	Samples were collected on site or at the Company's core shed and driven by Company staff direct to the laboratory or on occasion samples were sent via courier to the laboratory. Sample results are further verified by checking against geological logs, chip tray samples, remaining drill core and drill chips. Representative drill chip samples are collected and stored for long term retrieval.
Audits or reviews	· *The results of any audits or reviews of sampling techniques and data.*	OreWin's independent geologists have reviewed the drill hole data and provided recommendations on sampling technique.

Section 2 Reporting of Exploration Results

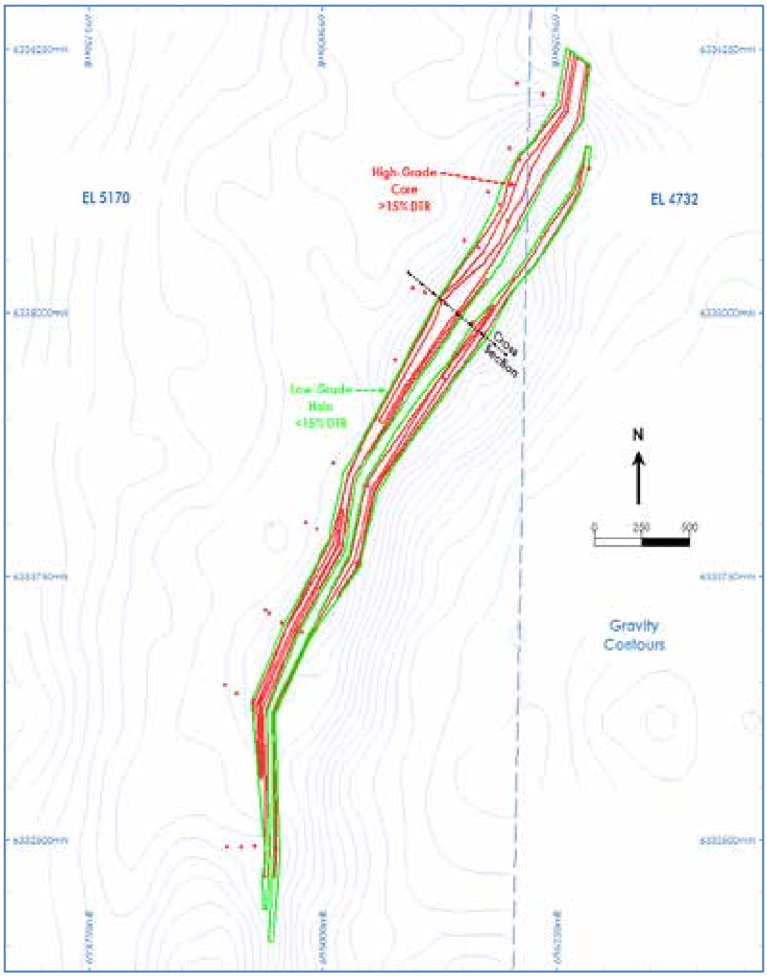
Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	· *Type, reference name/number, location and ownership including agreements.* · *The security of the tenure held at the time of reporting.*	Centrex (through its wholly owned subsidiary "The South Australian Iron Ore Group") owns the iron ore rights to Exploration Licence ("EL") 5170. Centrex signed a dual tenancy agreement with Arrium in July 2013 covering the portion on EL 4732 relevant to Centrex's Kimba Gap iron ore project. The tenements remain in good standing and there are no impediments to operating in the area.
Exploration done by other parties	· *Exploration by other parties.*	Centrex is not aware of any other relevant exploration conducted within the Kimba Gap project area.
Geology	· *Deposit type, geological setting and style of mineralisation.*	Magnetite banded iron formation within the Middleback Subgroup of the palaeoproterozoic Hutchison Group.
Drill hole Information	· *A summary of all information material to the understanding of the exploration results.*	List of Drillhole coordinates, plus composite of raw sample intervals with DTR > 5%. Please refer to the Appendix above for drill hole information.
Data aggregation methods	· *Weighting averaging techniques and grade cuts.* · *Aggregation procedure.* · *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	The total length of the intervals in the table of magnetite BIF intercepts (above) may include no more than one interval of up to 3m in length that is DTR < 5%, in which case the DTR and associated grades shown are length-weighted average grades over the total interval (i.e. dilution included in grade calculations). Other intervals with DTR grades of < 5% DTR are not shown. No metal equivalents are used.
Relationship between mineralisation widths and intercept lengths	· *Geometry of the mineralisation with respect to the drill hole angle.*	Drill holes are broadly oriented across the strike and dip of the mineralization (see image following).

Criteria	JORC Code explanation	Commentary
Diagrams	· *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Representative cross section; Representative plan (see below)

Representative cross section



Representative plan



Criteria	JORC Code explanation	Commentary
Balanced reporting	· *Representative reporting of both low and high grades and/or widths.*	See above table. All intercepts >5% DTR are tabulated (as downhole composites). All intercepts, including those <5% DTR are displayed in the cross section.
Other substantive exploration data	· *Other exploration data.*	Bulk densities and RQD's are routinely collected from drill core. Groundwater is present however no hydrological studies have been undertaken.
Further work	· *The nature and scale of planned further work.*	It is Centrex's desire to conduct further in-fill resource definition drilling of the Kimba Gap project, subsequent to securing a joint venture partner and associated funding and approvals, over the next 12 to 18 months.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
Database integrity	· *Measures taken to ensure that data has not been corrupted.* · *Data validation procedures used.*	Assay results are verified by checking against geological logs, chip tray samples, remaining drill core and drill chips. All assay data is checked for outliers in MS Excel and validated when loading into the Datamine Fusion database. Visual checks of plans and sections is also routinely undertaken.
Site visits	· *Comment on any site visits undertaken by the Competent Person.* · *If no site visits have been undertaken indicate why this is the case.*	Site visits were regularly undertaken during the drilling program by the Centrex Competent Person and sampling, logging, and recording procedures were being followed correctly.
Geological interpretation	*Confidence in the geological interpretation*	The logged lithology in the drill hole database, in combination with mapped and sampled surface BIF occurrences and geophysical (gravity and magnetic intensity) data, enabled the interpretation of two continuous BIF units along strike. The BIF units are interpreted as dipping 50–60° towards the north-west. The mineralization was constrained within the BIF units. Several lenses of higher grade mineralization were interpreted as continuous features within lower grade 'halo' interpretations. Geological logging enabled the interpretation of an oxide/fresh boundary, and material below and above this boundary are estimated separately. In addition, a zone of depleted grades was identified close to the topographic surface, and this depletion zone was also treated separately during estimation.
Dimensions	· *The extent and variability of the Mineral Resource.*	The Mineral Resource has the following extents (GDA94 Zone 53): Easting: 694,450 to 696,500 = 1,950 m Northing: 6,332,000 to 6,336,350 = 4,350 m Elevation: -220 to 260 = 480 m
Estimation and modelling	· *The nature and appropriateness of the estimation technique(s)*	Resource estimation was completed using Datamine software.

Criteria	JORC Code explanation	Commentary
techniques	*applied and key assumptions,.* · *The availability of check estimates.*	The variables estimated include: · Head grades and concentrate grades for: Fe, SiO_2, P, Al_2O_3, As, Ba, CaO, Cl, Co, Cr_2O_3, Cu, K_2O, MgO, MnO, Na_2O, Ni, Pb, S, Sn, Sr, TiO_2, V, Zn, Zr, and LOI · DTR_% · Density Estimation for the mineralized halo and the high-grade core was generally undertaken using Ordinary Kriging methods, with the exception of sulphur, which was estimated using nearest neighbour methods in an effort to constrain the influence of spotty high values. The input drill hole sample file was composited to 3m within like domains. Estimation into model cells was limited to include only samples flagged with like domains. High-grade and low-grade mineralized domains were modelled separately using 3D wireframe solids, whereas the depletion zone and the oxide wireframes were modelled as surfaces. The parent cell dimensions are 50 x 50 x 15m (X Y x Z), with subcelling permitted down to 5m in the X and Y orientations, and no minimum subcell size set in the Z direction to enable honouring of the sub-horizontal features (topography, depletion zone and oxide zone). This cell size is considered suitable given the minimum drill hole spacing between sections (240m), and the general spacing on-sections, although the drillhole spacing is relatively irregular. Volumes of the model domains were verified with the volumes from the wireframes. The search distances used for the mineralized domains were 1,000 x 150 x 50m (strike x width x dip).
Moisture	· *Whether the tonnages are estimated on a dry basis or with natural moisture.*	Tonnages are based on dry bulk density measurements taken from Archimedes measurements on diamond core. A total of 539 density data were available to be used in density estimation.
Cut-off parameters	· *The basis of the adopted cut-off grade(s) or quality parameters applied.*	The low-grade halo interpretations were based on logged BIF occurrence. The interpretation of the high-grade core was a nominal 15% DTR. The cut-off used for reporting of the resource was based on Centrex's preliminary metallurgical test work from the Bungalow magnetite project, which indicates that Fe from iron species other than magnetite may be amenable to recovery.
Mining factors or assumptions	· *Assumptions made regarding reasonable prospects for eventual economic extraction .*	Given the proximity to the topographic surface, and the dip and width of the mineralized domains, it has been assumed that the Kimba Gap BIF is amenable to open pit mining methods. The reporting cut-off of 5% DTR is derived from recovery and mineralogy studies being undertaken by Centrex. This cut-off is considered to be preliminary and is likely to be updated as studies progress, therefore the Mineral Resource is presented along with a grade tonnage curve showing the tonnage and grade at various DTR and head Fe cut-off's.
Metallurgical	· *The basis for assumptions or*	BIF hosted magnetite and hematite mineralization has been shown in many

Criteria	JORC Code explanation	Commentary
factors or assumptions	*predictions regarding metallurgical amenability.*	similar projects to be amenable to metallurgical extraction. Work conducted by Centrex on mineralized samples from its Bungalow project have indicated that hematite may be recovered from magnetite tailings using heavy liquid separation. PFS level metallurgical and engineering studies are required to further analyse this.
Environmental factors or assumptions	· *Assumptions made regarding possible waste and process residue disposal options.*	Based on engineering studies at Centrex's Bungalow and Fusion magnetite projects in the region, assumptions have been made that the tailings could be dewatered on site and encapsulated within mine waste dumps. Environmental impact and PFS level engineering studies are required to further analyse this.
Bulk density	· *Whether assumed or determined.*	All samples of drill core were routinely sampled unless broken drill core of suitable lengths > 30cm were not available. The whole core samples were air dried, length measured and weighed. A total of 539 density data were available to be used in density estimation, using Ordinary Kriging methods.
Classification	· *The basis for the classification of the Mineral Resources into varying confidence categories.*	The quantum of drill holes over the BIF occurrence, together with the nature of the samples collected (i.e. significant proportion of diamond core), and the quality of the resultant data, has enabled 3D interpretation of continuous mineralized units that can be used to estimate tonnages and grades with a level of confidence compatible with classification as an Inferred Mineral Resource. The wide drill hole spacing between sections has reduced the ability to accurately identify potentially disruptive structural features, and as a result the confidence in the continuity of the mineralization is reduced. The high-grade core is interpreted as several individual lenses that are not always contiguous as a result of the lack of data in places.
Audits or reviews	· *The results of any audits or reviews of Mineral Resource estimates.*	No independent audits or reviews of the Mineral Resource estimation have been undertaken to date. Internal peer review has been undertaken.
Discussion of relative accuracy/ confidence	· *Statement of the relative accuracy and confidence level in the Mineral Resource estimate.*	The quality of the Mineral Resource estimates has been tested using alternative estimation methods, with satisfactory results. Geostatistical methods have been used in estimation, albeit somewhat limited by the wide drill hole spacing. Extensive validation of the estimates has been undertaken, with the results showing a relative accuracy supportive of classification as an Inferred Mineral Resource. Further data is required to be collected to infill the wide spacing between some drill sections, and to ensure that all mineralized lodes on-section have adequate drill intersections to define the boundaries accurately. There has been no production at this site to date, therefore the performance of the estimates has not been tested.