CENTREX METALS LIMITED

ASX Announcement September 2014

NSW GOLD EXPLORATION

General Manager 26th September 2014

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Dear Sir/Madam

NSW GOLD EXLORATION UPDATE

Highlights

- 7 line ground based dipole-dipole induced polarisation survey defines drill ready epithermal targets at Woolgarlo Gold Project
- Centrex formulating drill plan to test targets at Woolgarlo
- Reverse circulation drilling completed at Gundaroo Gold Project testing 3 targets, alteration intersected but no significant gold
- Centrex to further evaluate remaining targets at Gundaroo

Woolgarlo Gold Project

Centrex Metals Limited ("Centrex") has completed a dipole-dipole ground induced polarisation ("IP") survey program at its Woolgarlo Gold Project, generating drill ready epithermal gold targets.

The Woolgarlo Gold Project is located in NSW, approximately 50km NW of Canberra and within the prospective East Lachlan Fold Belt. Historical exploration has demonstrated that epithermal gold mineralisation is present within Devonian volcanic host rocks at either end of the project at the Mt Mylora and Sugarbag prospects. Centrex completed a high-resolution air-borne magnetic survey earlier this year between the two historical prospects, as Surgarbag to the south has been interpreted to be the top of an epithermal system, and Mt Mylora in the north to be the base.

The magnetic survey results were encouraging, suggesting possible magnetic destruction along interpreted NNW trending faults thought favourable for further epithermal gold mineralisation within the target host rocks.

The overall interpretation of the magnetics indicated a central north-south trending graben feature that is in line with an epithermal model. Later EW compression has produced folding of the Devonian age host volcanics and generated prospective structural traps for mineralisation.

To follow up on the structural targets defined from the magnetics survey, 7 approximately 2km long lines of dipole-dipole IP, orientated perpendicular to the structures and spaced broadly along them were completed. Along each IP line dipole stations were positioned at 100m spacing. The IP lines were positioned across the targets to provide vertical resistivity and chargeability profiles of the subsurface, seeking resistive anomalies associated with demagnetized fault structures, indicative of silicification often associated with epithermal gold mineralisation. The 7 IP lines are shown below over the magnetics and interpreted structures.

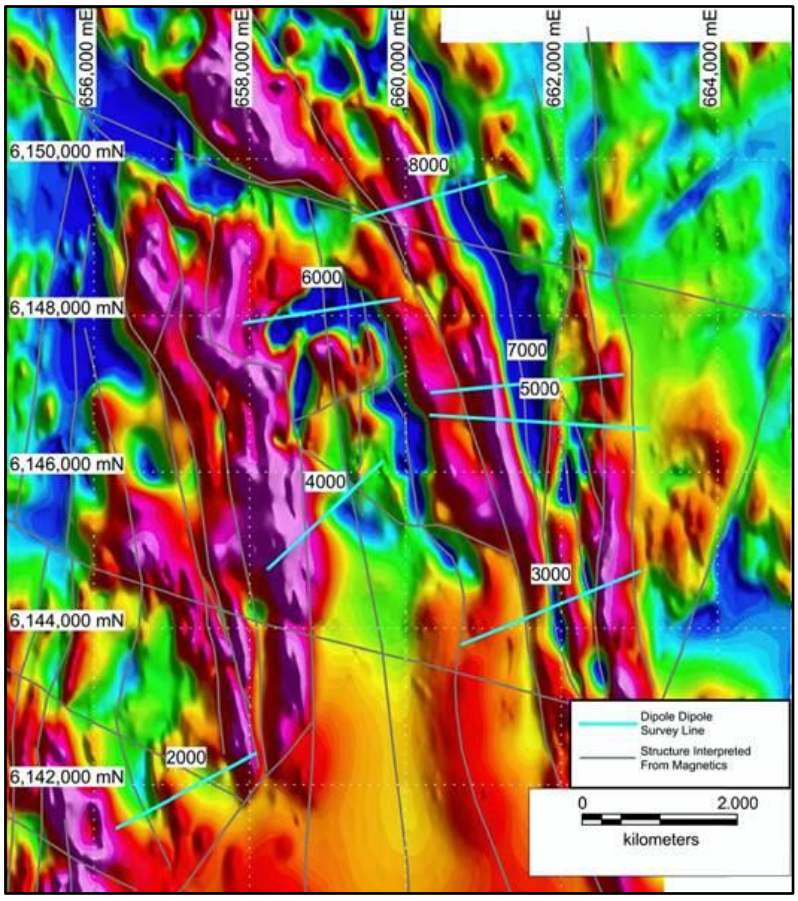

Figure: Map displaying the seven IP lines over magnetic image and interpreted structure.

The raw data from the IP survey has been received. Inversion modelling and interpretations of the first 3 IP lines are complete and are very encouraging with a number of drill ready targets identified already. These sections are shown and discussed below. Interpretations of the remaining 4 lines will be completed over the coming weeks.

Line 2000 has a drill target at 100-300m depth within a resistive zone (~2200E) that correlates with an interpreted SW dipping extensional fault from the magnetics data. The chargeability image supports a possible sulphide alteration zone

at depth along this interpreted fault and into the hanging wall of the basement units. A deeper resistive unit (possibly rhyolite) appears to be folded at 1500E which is consistent with an interpreted anticlinal axis from magnetic data.

Line 3000 has 2 drill targets with the first at 100-150m depth within a resistive zone (~2300E) that could be associated with dilation in a flattening section of an interpreted fault structure. The second target is a narrow west dipping chargeability high at ~2700E and 150m depth that correlates with elevated resistivity and again indicating possible silicification along a structure.

Line 4000 has 2 main drill targets with the first a resistive zone (~1700E) that correlates with the location of an interpreted extensional fault from magnetics. While there is a low amplitude resistor approaching the surface, the bulk of the anomaly is 200m+ below surface and could be interpreted as an epithermal vein thickening below 200m. The second target is a similar resistive high at ~1400E and is more developed closer to surface at 150m depth. Although this feature is on the margins of the survey and therefore not well defined, it is still considered a priority target. The chargeability high at ~2600E extends down the length of an interpreted west dipping structure. This structure is of interest but is not typical of the targeted epithermal style of mineralisation and represents a secondary target.

Centrex is now formulating a drill program with the aim of testing these interpreted targets.

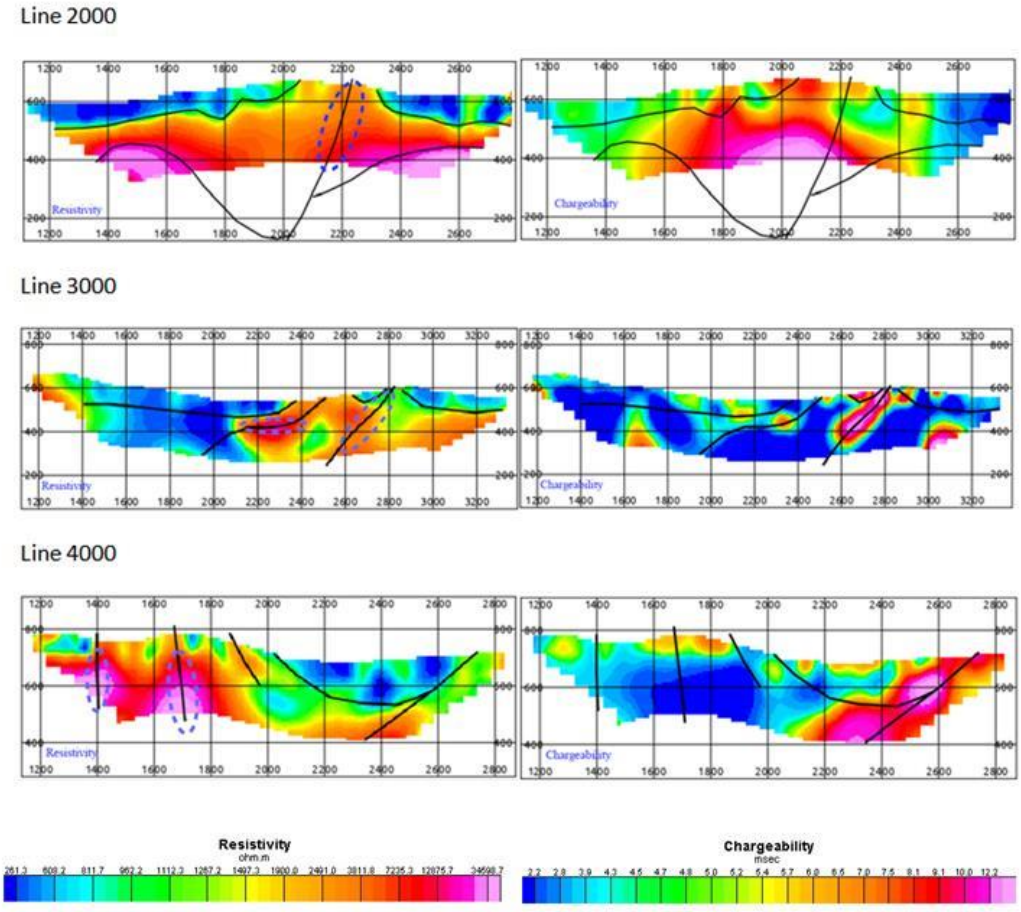

Figure: Inversion modeling of the first 3 IP survey lines with structure and target features overlain.

Gundaroo Gold Project

Centrex has completed an initial 12 hole, 881m reverse circulation drilling program at the Gundaroo Gold Project, 30km north of Canberra in NSW. The drilling program tested three intrusion related gold system ("IRGS") targets selected from stream sediment anomalies, magnetic data, and or the occurrence of old gold workings at the Cox and Kershaw Claim (Target 1) and the Diamond Hill Mines (Target 2). Whilst the drilling intersected zones of alteration with elevated arsenic values below the old workings at the Cox and Kershaw Claim and Diamond Hill Mines targets, no significant gold mineralisation was identified from the drilling.

The previous stream sediment program identified 9 anomalous gold targets within the central and southern portion of the tenement of which 3 have now been tested. In addition to the remaining anomalous gold targets the northern portion of the tenement has yet to be evaluated. Centrex will now further consider the remaining gold targets and the northern portion of the tenement.

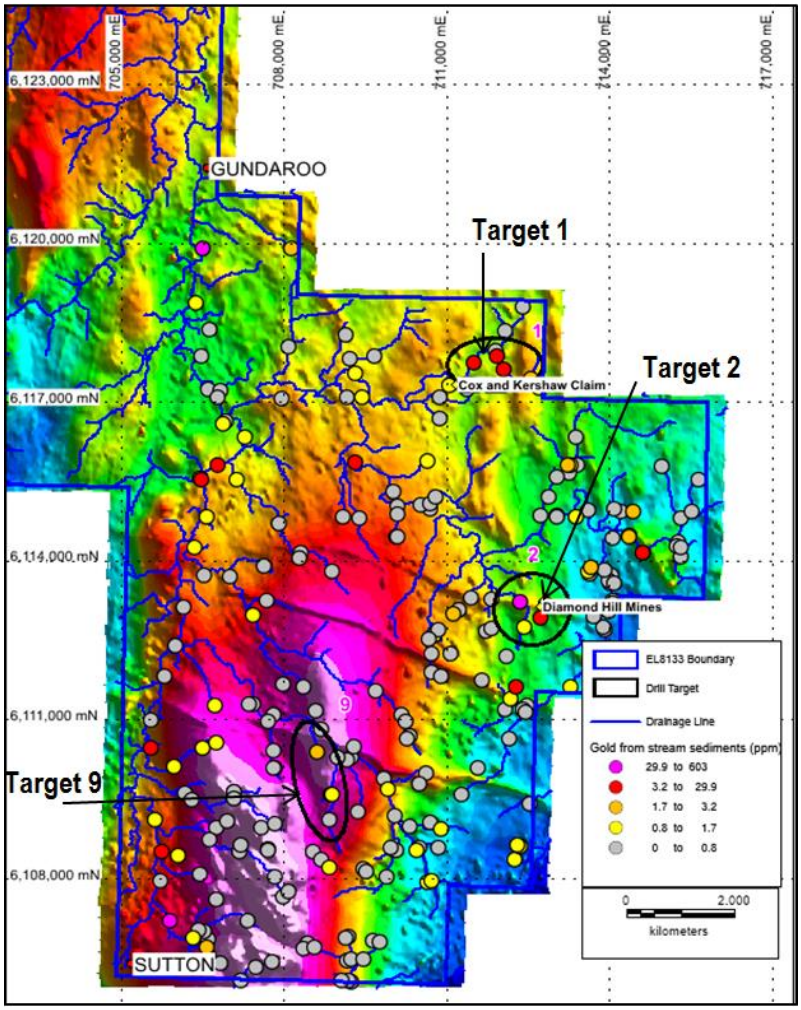

Figure: Location of the three target areas tested by drilling (Targets 1, 2 and 9) shown over the magnetic image and drainage patterns with gold stream sediment results.

Details on the previous Gundaroo stream sediment geochemical results can be found in the following announcement http://www.asx.com.au/asxpdf/20140305/pdf/42n5nc1p3kjb97.pdf

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Competent Persons Statement

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.

Appendix – Gundaroo Drill Hole Information.

BHID	Target	COLLAR COORDINATES (m)			AZIMUTH	DIP	EOH	Significant Intervals
		Easting	Northing	RL			Depth	
GRORC001	1	711,352.00	6,117,320.00	700	270	-60	70	None
GRORC002	1	711,306.00	6,117,349.00	700	90	-62	120	None
GRORC003	1	711,338.00	6,117,282.00	700	270	-60	72	None
GRORC004	1	711,339.00	6,117,282.00	700	270	-80	87	None
GRORC005	1	711,350.00	6,117,151.00	700	270	-60	70	None
GRORC006	1	711,370.00	6,117,149.00	700	270	-60	90	None
GRORC007	2	712,845.00	6,112,828.00	700	270	-60	72	None
GRORC008	2	712,842.00	6,112,917.00	700	270	-60	72	None
GRORC009	2	712,565.00	6,113,116.00	680	360	-60	72	None
GRORC010	3	708,803.00	6,110,678.00	640	360	-60	54	None
GRORC011	3	708,781.00	6,110,608.00	645	360	-60	60	None
GRORC012	3	708,763.00	6,110,555.00	650	360	-60	42	None
DRILLHOLE COUNT = 12								

Woolgarlo Gold Project JORC Table 1 Report

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• This was a geophysical IP survey only - no drilling and hence sampling or assaying was carried out as part of the IP survey. • The geophysical survey was a Dipole-Dipole ground induced polarisation survey using the following equipment: ○ GDD Receiver GRx16 ○ GDD TX11 5000W Transmitter • The Dipole-Dipole ground induced polarisation survey had the following specifications: ○ 100m Dipole Length ○ Variable Line length but nominally 2,000m
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	• This was a geophysical IP survey only - no drilling was carried out as part of the IP survey.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• This was a geophysical IP survey only - no drilling or sampling and hence sample recovery was carried out as part of the IP survey.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • *The total length and percentage of the relevant intersections logged.*	• This was a geophysical IP survey only - no drilling or logging was carried out as part of the IP survey.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	• This was a geophysical IP survey only - no drilling and hence sampling, sub-sampling or sample preparation was carried out as part of the IP survey.

Criteria	JORC Code explanation	Commentary
	• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	

Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*
	• *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*
	• *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*
		• This was a geophysical IP survey only - no drilling and hence samples or assays were collected as part of the IP survey.
		• The IP survey used Dipole-Dipole ground induced polarisation survey equipment.
		  ○ GDD Receiver GRx16
		  ○ GDD TX11 5000W Transmitter

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 (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• This was a geophysical IP survey only - no drilling and hence samples or assays were collected as part of the IP survey and therefore no verification was required.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Handheld GPS unit (+/- 5m accuracy) • The coordinate system for the project is Geocentric Datum of Australia (GDA) 94, Zone 55.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• 100m dipoles (stations) on variable line lengths of nominally 2,000m • Individual lines were separately located throughout the project area and based on geological interpretations of magnetics.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Lines were designed generally sub-perpendicular to geology and major structures as shown in the image in the main body of text. • This was a geophysical IP survey only - no drilling or sampling was carried out and hence no sampling bias.
Sample security	• *The measures taken to ensure sample security.*	• This was a geophysical IP survey only with no samples taken hence no requirement for sample security.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Data corrections and validation was undertaken daily by the IP survey contractor plus an independent geophysical consultant has reviewed and checked the data.

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 or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Exploration Licence EL 8215 for Group 1 minerals was granted on December 19th 2013 for a period of 3 years. • The tenement is in good standing and not subject to any material issues with third parties or joint venture arrangements.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• There are no results presented from other parties other than a reference to the Mt Mylora and Sugar Bag prospects which are known gold occurrences identified by previous explorers (BHP Minerals) and noted in open file reports.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The exploration model is primarily for epithermal style gold mineralisation. • The regional geological setting is the East Lachlan Fold Belt and the local geological setting consists of Devonian volcanics intruded to the south project area by a major granitic pluton and a separate porphyry body with mineralisation targeted along NNW structures within the volcanics

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• This was a geophysical IP survey only - no drilling or sample recovery was carried out as part of the IP survey and hence no drill hole data can be reported.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• This was a geophysical IP survey only - No drilling and hence sample data aggregation has been undertaken.
Relationship between mineralisation	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*	• This was a geophysical IP survey only - no drilling was undertaken as part of the IP survey hence no mineralisation widths or intercept lengths can be reported.

Criteria	JORC Code explanation	Commentary
widths and intercept lengths	• *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	
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.*	• The image in the main body of this report displays the interpreted structural features of the area derived from the magnetics data. The location and orientation of the 7 IP lines are also displayed on this image. • Inversion modelling of three Dipole-Dipole IP sections are presented with interpreted structural features derived from the magnetics and resistivity and conductivity IP results.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Magnetic data was the primary source for structural and target interpretations and so no images of radiometric data has been shown. • The inversion modelling of the three Dipole-Dipole IP sections are included as the four other sections are still undergoing inversion modelling and interpretation.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Radiometric data was not used in the structural interpretations and generation of target areas, but was collected. • The inversion modelling of the remaining 4 dipole-dipole IP sections has not been completed.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Inversion modelling of the remaining 4 dipole-dipole IP sections. • The next phase of exploration will include drill hole planning and land access negotiations with the aim of conducting a drill program to test the targets identified.