

## GOULBURN ZINC PROJECT

General Manager

14<sup>th</sup> November 2014

The Company Announcements Office  
Australian Securities Exchange  
Electronic Lodgement System

Dear Sir/Madam

### CENTREX TO DRILL NSW ZINC PROJECT

#### Highlights

- 4 hole diamond drilling program planned at the start of 2015 to test extensions of the known Collector Skarn Deposit, 10kms north of the Woodlawn Mine in NSW
- Historical drilling at Collector showed wide intercepts of base metals with results up to 9.9% zinc and 0.7% copper
- Centrex to fund drilling and terminate joint venture with Shandong if Chinese Approvals not gained by mid-December
- Additional RAB drilling program planned to cover three regional high priority geophysical targets

#### Summary

Centrex Metals Limited ("Centrex") will commence drilling at its Goulburn Zinc Project in NSW at the start of 2015. A four drill hole diamond core program is planned over the historical Collector Skarn Deposit and its immediate potential extensions. A secondary shallow RAB drilling program will also be completed over a number of regional geophysical targets in the nearby area. Landowner and government approvals for the program are currently in progress.

Centrex entered into a joint venture agreement over the Goulburn Zinc Project with Shandong 5<sup>th</sup> Geo-Mineral Prospecting Institute ("Shandong") in April 2013. Australian Government approvals were received for the joint venture, however continual delays in gaining Chinese Government approvals has meant the deal remains to be completed. Centrex has now notified Shandong that it will enact its right to terminate the agreements and fund the drilling program itself if Chinese Government Approvals have not been received by the 15<sup>th</sup> of December 2014, and funding subsequently received.

While Centrex appreciates Shandong's inability to gain approvals at this time is due to one of the main approvals institutions not being open to receive applications, it is time to move forward with the project by itself, with the ability to consider another joint venture in the future. The zinc market outlook is promising based on a forecast demand-supply imbalance in the near-future. Centrex has an existing zinc deposit it can commence developing along with a number of other high priority regional targets to explore within the project area.

### Collector Skarn Deposit

The Collector Skarn Deposit is located around 10km north of Woodlawn Polymetallic Mine in the Lachlan Fold Belt NSW, and around a 40 minute drive northeast of Canberra. The deposit was discovered in the early 1990s with drilling intersecting an iron-rich exoskarn hosted within a limestone unit and overprinting broader volcanogenic mineralisation.

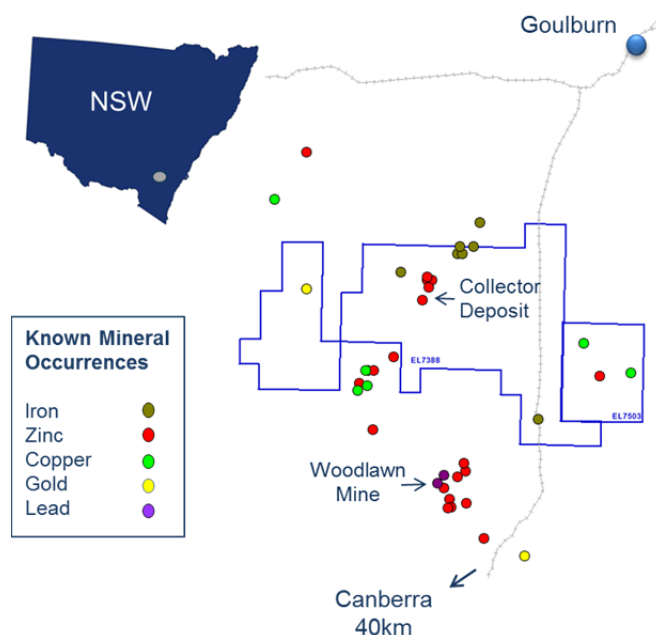
Centrex previously reported the historical drilling results with the discovery DDH C2 hole showing:

- 25.2m @ 4.1% Zn, 0.8% Cu, 0.1% Pb from 86m depth  
**including 6.3m @ 9.9% Zn, 0.7% Cu**
- 25.2m @ 3.3% Zn, 0.2% Cu from 113m depth  
**including 3.8m @ 6.7% Zn, 0.3% Cu, 0.1% Pb**
- 35.2m @ 2.3% Zn, 0.3% Cu from 141m depth  
**including 7.6m @ 4.6% Zn, 0.2% Cu, 0.1% Pb**
- 20.4m @ 3.9% Zn, 0.4% Cu, 0.5% Pb

For further details of the historical drilling results see announcement 17<sup>th</sup> June 2014:

<http://www.asx.com.au/asxpdf/20140617/pdf/42q7znkpi7hkbv.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.

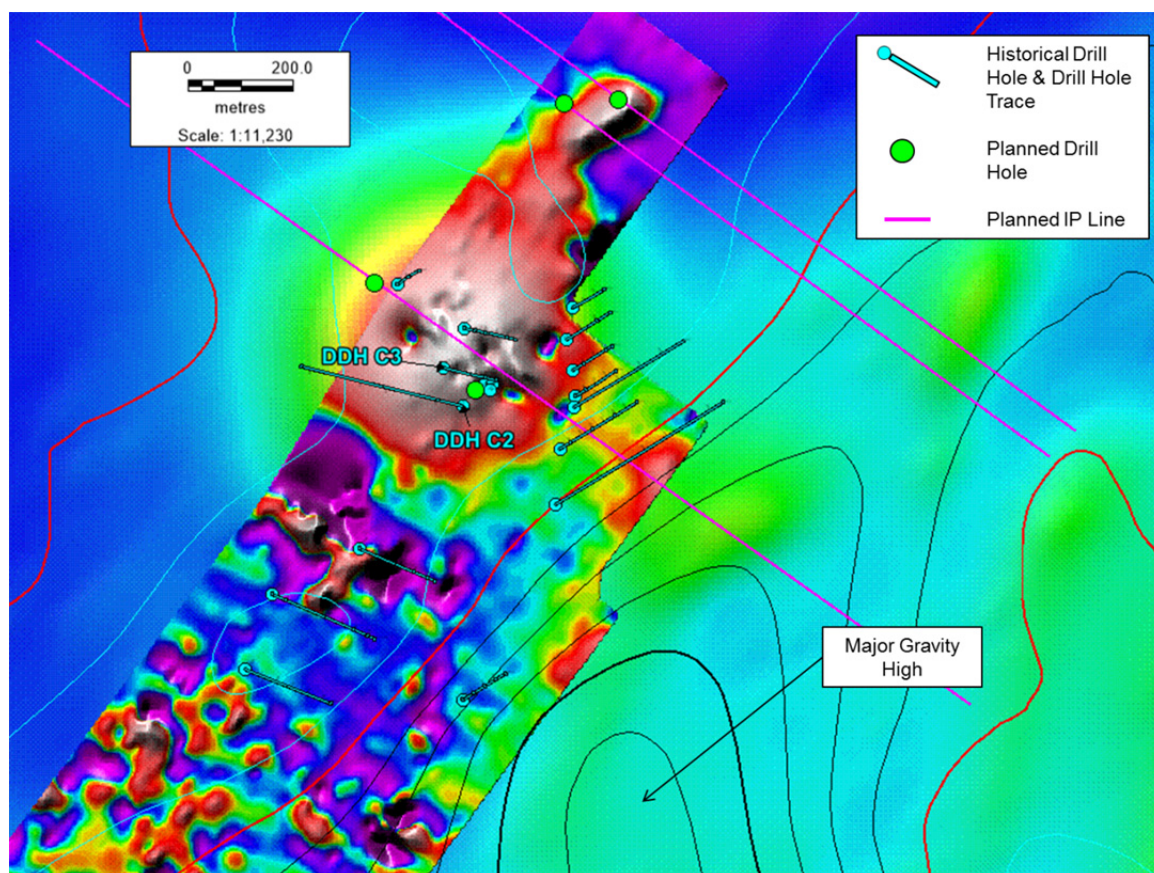


**Figure: Location map of the Collector Deposit and known mineral occurrences.**

Base metals and some precious metals within the Collector Skarn are associated with magnetite and pyrrhotite mineralisation. Given this the deposit presents as a magnetic high interpreted to be cross cut by a number of NNE faults shown on both aerial and ground surveys. The deposit has been interpreted to represent the distal zone of the skarn with proximal and possibly higher grade and non-magnetic mineralisation yet to be intersected.

A secondary magnetic anomaly of the same amplitude, a similar length but more discrete, and with no obvious cross cutting faults is located along strike of Collector and yet to be drill tested. This secondary anomaly may represent more concentrated mineralisation within the limestone unit given its more discrete magnetic signature and likely more stratabound nature. Historical explorers have reported a bottom of hole RAB zinc geochemical trend extending from south of the Collector Deposit through to the northern magnetic extension.

An air-borne gravity survey previously completed by Centrex shows the deposit to lie on the edge of a major gravity high feature to the southeast thought to represent a deep seated intrusion and the source of skarn mineralising fluids.

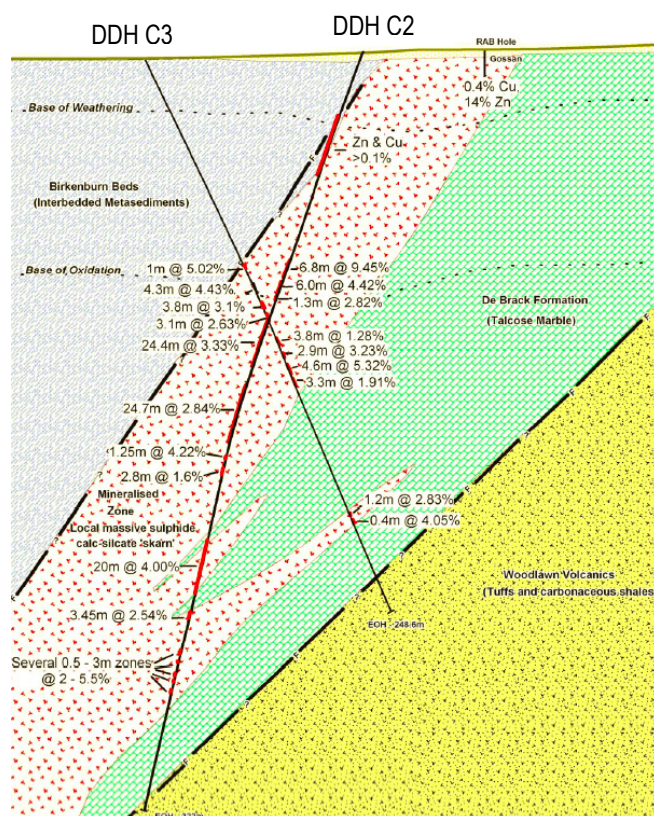


**Figure: Ground and air-borne magnetic images, overlain with gravity contours of the Collector Deposit, historic and planned drill hole locations.**

Centrex intends to complete a three line dipole-dipole induced polarisation (“IP”) survey over both the Collector Deposit and the northern magnetic extension in late 2014. This survey will provide cross sectional chargeability profiles to provide orientations of mineralisation and modelled mineralisation strengths relative to the known intersections. This information will then be used to finalise positioning for an initial four hole diamond drilling program to commence at the start of 2015.

Two of the diamond drill holes will be completed at the Collector Deposit. The two holes will test the up-dip and down-dip extensions from the historically intercepted mineralisation (DDH C2 & DDH C3). The remaining two drill holes will test the northern magnetic extension at shallow to moderate (100-200m) depths.





**Figure: Historical cross sectional interpretation of the Collector Deposit showing zinc assays.**

## Regional RAB Drilling

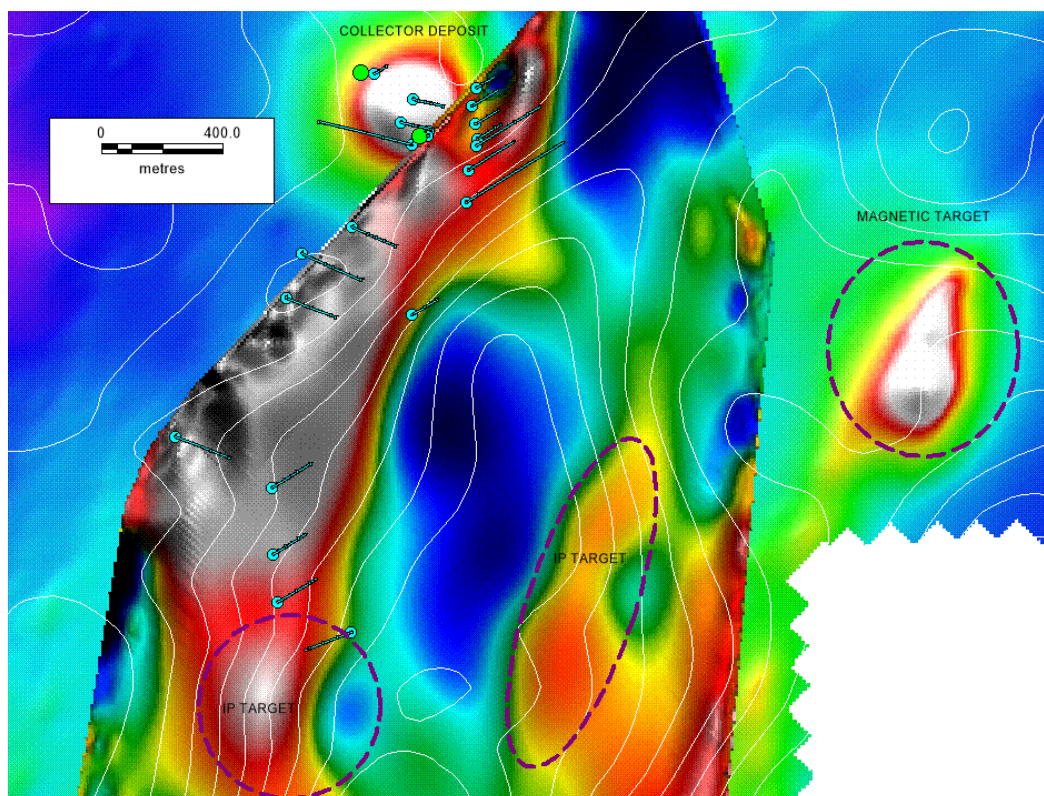
In 2012 Centrex completed a regional gradient IP survey over the area surrounding the Collector Deposit and the associated regional gravity high thought to be an intrusion at depth linked to skarn mineralisation. A number of anomalies were identified from this survey within prospective volcanic strata both on the western and eastern margins of the gravity high. A number of these anomalies are associated and offset from discrete magnetic highs. Centrex intends to complete a shallow RAB drilling program over 2 of the priority anomalies.

For full results of the gradient IP, magnetic and gravity surveys completed by Centrex see announcement 17<sup>th</sup> December 2012:

<http://www.asx.com.au/asxpdf/20121217/pdf/42bz4xwglwt5r.pdf>

The results were reported under JORC 2004 and have not been updated to comply with JORC 2012. Centrex is not aware of any new information or data that materially affects the information contained within the release.

Centrex also plans to complete RAB drilling over a discrete magnetic anomaly outside the IP survey area similar in shape and orientation to the Collector Deposit anomaly, but located on the opposite north-eastern side of the regional gravity high. RAB drilling is planned to be completed during early 2015.



**Figure: Regional targets illustrated with IP chargeability image shown over air-borne magnetics and overlain with gravity contours.**

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## **Competent Persons Statement**

*The information in this report relating to Exploration Results is based on information compiled by Mr Ben Hammond who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Hammond is the CEO of Centrex Metals Limited. Mr Hammond 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 Hammond consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*