CENTREX METALS LIMITED

ASX Announcement June 2015

WOOLGARLO GOLD PROJECT

General Manager 23rd June 2015

The Company Announcements Office
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Dear Sir/Madam

DRILLING RESULTS AT NSW EPITHERMAL GOLD PROJECT

Highlights

- Centrex completes the first 3 out of 4 planned RC drill holes for maiden program at Woolgarlo Gold Project in NSW
- Petrology of base metal mineralisation and alteration intersected indicates late epithermal origin
- Land access pending to complete final program drill hole

Summary

Centrex Metals Limited ("Centrex") has completed three reverse circulation ("RC") drill holes at its Woolgarlo Gold Project in NSW. The drill program was designed to test structural epithermal gold targets identified from airborne magnetic, soil geochemical and ground based dipole-dipole induced polarisation ("IP") surveys.

The drill holes intersected the Mountain Creek Volcanics, host unit to epithermal gold mineralisation in the region. Encouragingly the drilling intersected bands of silica, chlorite and epidote alteration believed to be indicative of the outer propylitic alteration zone of a hydrothermal system. Petrological analysis of base metal mineralisation intersected within hole WO-01 also showed interpreted late phase epithermal carbonate and base metal veining to be present.

Land access is still pending for Centrex to complete a fourth hole (WO-05) to drill test a resistive and chargeable target associated with the Devil's Pass Fault, a dominant regional structure. Base metals mineralisation intersected so far in the program was encountered approximately 5km SSE (WO-01) along this same structure associated with a resistive but non-chargeable feature.

To date assay results have not shown any significant gold mineralisation but WO-01 has returned anomalous base metal, carbonate and quartz veinlets over a 3m length with a best result of 1m at 0.3% Pb and 0.1% Cu from 34m. WO-01 intersected very hard, siliceous layered crystal tuffs, rhyolites and porphyrytic rocks with occasional quartz and carbonate veinlets and chlorite alteration. This is thought to account for the highly resistive feature targeted.

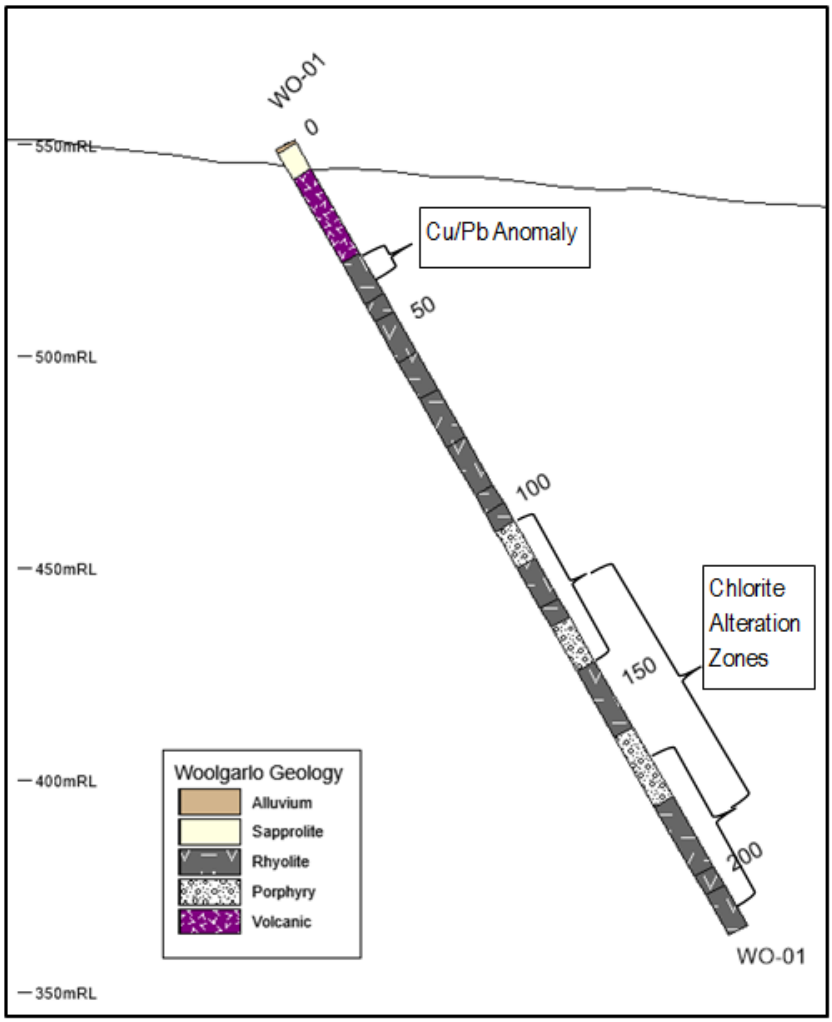

Figure: Drill section of WO-01 facing NNE showing base metals veinlet and alteration zones.

WO-03 targeted a resistive feature associated with a subtle magnetic low within a NNE structure around 500m west of the Devil's Pass Fault. The drilling penetration rate decreased upon intersection of the resistive anomaly and visual logging of the drill chips confirmed siliceous volcanic rock units although with less alteration than found in WO-01.

WO-04 targeted both a resistive and chargeable feature at depth along the same structural trend further north. The drilling penetration rate was again progressively slower at depth due to the hard siliceous nature of the dominantly siliceous rhyolite rock units and minor granite intrusives. Minor magnetite was found in the fines portion of the drill chips and accounts for the high magnetic susceptibility common within the Mountain Creek Volcanics unit. There was no obvious explanation for the chargeable feature being targeted, although possible chlorite, epidote and minor hematite alteration was noted in drill chips.

Woolgarlo Gold Project

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 Mountain Creek Volcanics at either end of the project area at the Mt Mylora and Sugarbag Hill prospects. Centrex completed a high-resolution air-borne magnetic survey in 2014 between the two historical prospects, as Surgarbag Hill to the south has been interpreted to be the top of an epithermal system, and Mt Mylora in the north to be the base.

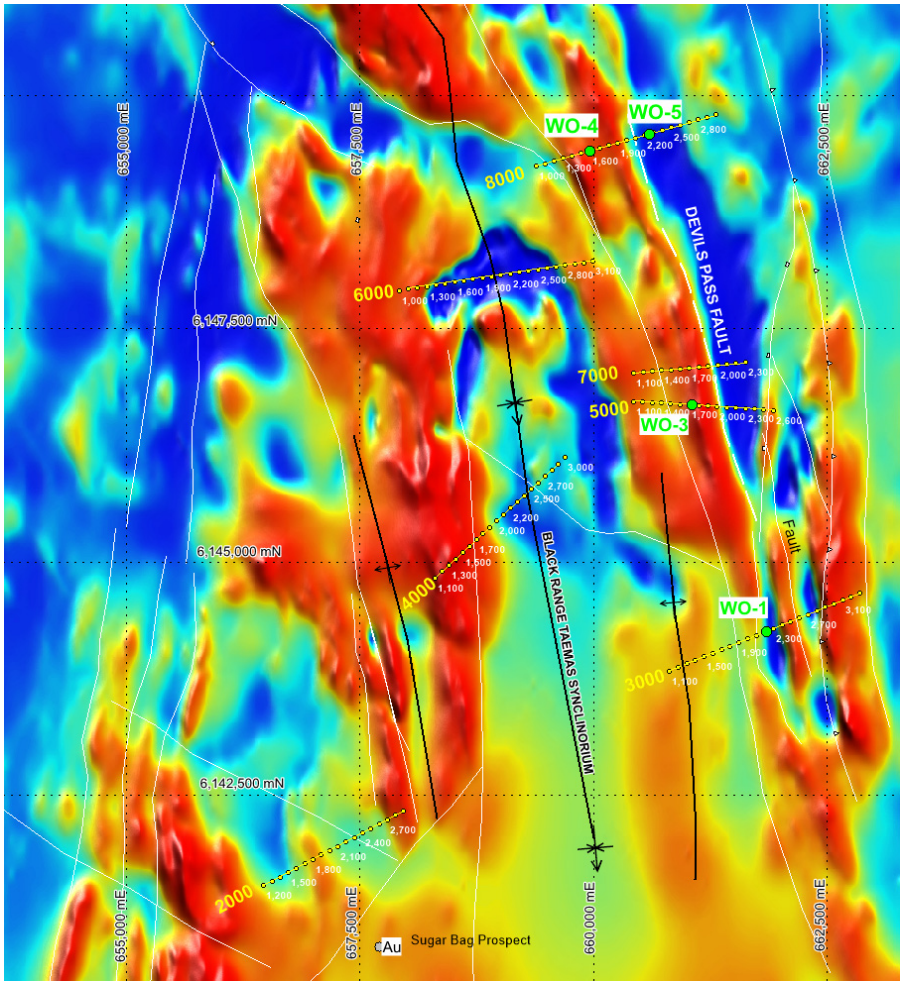

Figure: Map displaying the seven IP lines in yellow over reduced to pole magnetics, interpreted structure and planned drill holes WO-1, WO-3, WO-4 and WO-5.

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 remobilised mineralisation.

Centrex followed the magnetic survey with a ground based dipole-dipole IP program consisting of 7 approximately 1.5 - 2km long lines, orientated perpendicular to the structures and spaced broadly along them. 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.

For further details of the magnetic survey and IP results see announcements on the 23rd April 2014, 26th September 2014 and 1st October 2014:

http://www.asx.com.au/asxpdf/20140423/pdf/42p4f17qd3q98z.pdf

http://www.asx.com.au/asxpdf/20140926/pdf/42sgsvyzrh1pty.pdf

http://www.asx.com.au/asxpdf/20141001/pdf/42sltg6gq9p4p9.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.

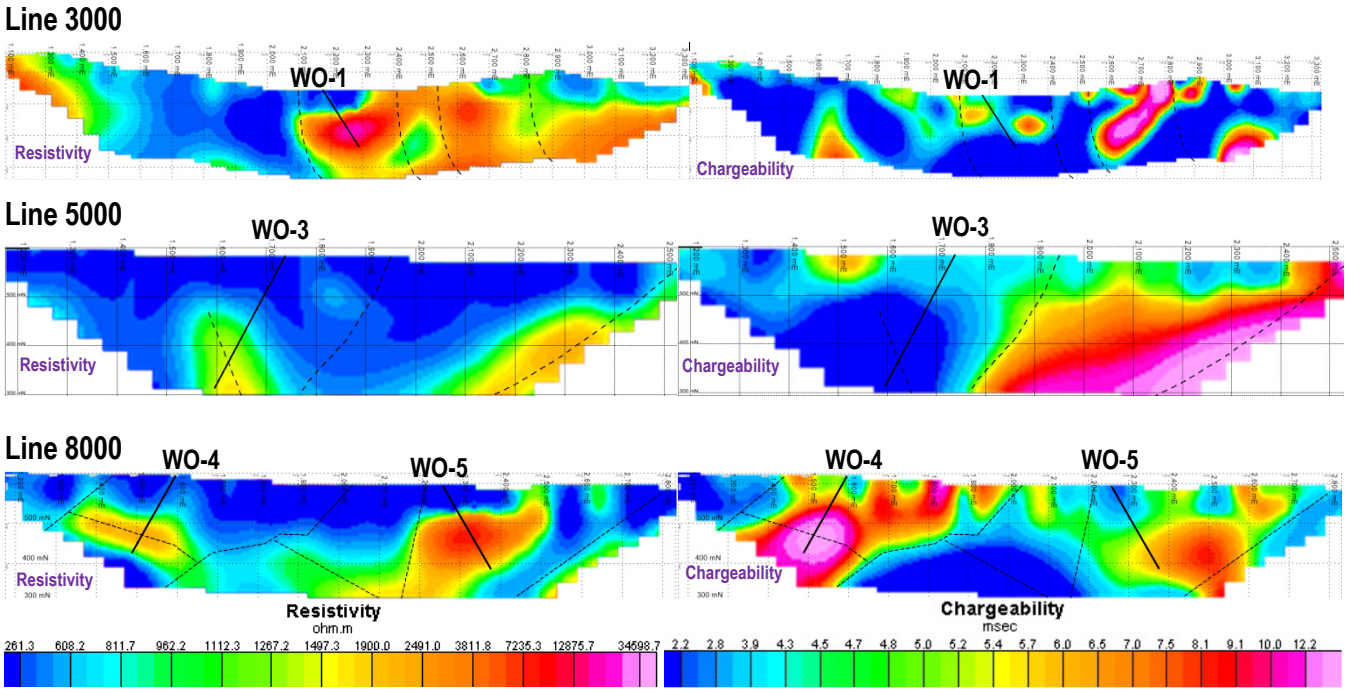

Figure: Inversion modeling of IP Survey lines with interpreted structure and planned drill holes WO-1, WO-3, WO-4 and WO-5.

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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 – Technical Information.

Table 1: Drillhole details.

BHID	COLLAR COORDINATES (m)			AZIMUTH	SURFACE DIP	EOH Depth
	Easting	Northing	RL			
WO-01	661794	6144296	550	70	-60	214
WO-03	661052	6146682	575	250	-60	249
WO-04	659947	6149407	600	255	-60	235

Table 2: Details of individual intercepts > 100ppm Zn, Cu or Pb.

BHID	Drill Type	From (m)	To (m)	Width (m)	Cu (ppm)	Pb (ppm)	Zn (ppm)	Cd (ppm)	As (ppm)
WO-01	RC	33	34	1	163	409	107	123.5	201
WO-01	RC	34	35	1	960	2970	87	105.5	150.5
WO-01	RC	35	36	1	766	751	135	8.15	14.4

Woolgarlo 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.*	Chip samples from the reverse circulation drill holes were collected at 1m intervals from the surface until the end of hole. All intervals were submitted for assay. The chip samples were split at the rig using a Metzke cone splitter with a splitting percentage range of 5-12%. Field duplicates were collected and submitted for assay at every 1 in 30 samples. Commercially available certified reference material standards (CRM's) were routinely submitted for QA/QC. The sample weights were approximately 1kg – 3kg and submitted to Australian Laboratory Services ('ALS') in Orange and Brisbane for processing and sample preparation. This sampling method is a standard industry method and is believed to provide acceptably representative sample for the type of mineralisation likely to be encountered.
Drilling techniques	• *Drill type.*	Reverse Circulation drilling was undertaken by a Mercedes Actross mounted Sandvik DE840 Dual purpose rig with on board rod handler, Sullair 1300/500 on-board compressor and AirResearch 1809/310 Booster
Drill sample recovery	• *Method of recording and assessing sample recoveries.* • *Measures taken to maximise sample recovery.*	Sample recoveries were visually monitored as drilling progressed and poor recoveries recorded and addressed at the time.
Logging	• *Geological and geotechnical logging.* • *Whether logging is qualitative or quantitative.* • *Total length and percentage of the relevant intersections logged.*	Geological logging was qualitative based on visual field observations. Chip logging was undertaken to 1m for the entire hole. Representative 1m sample intervals were collected and stored in chip trays for future reference.
Sub-sampling techniques and sample preparation	• *Nature, quality and appropriateness of the sample preparation technique.* • *Quality control.* • *Sample representivity.* • *Sample sizes*	The reverse circulation drill chips were collected via a cone splitter at 1m intervals. All samples were dispatched to Australian Laboratory Services ('ALS') in Orange NSW for sample preparation. ALS sort and label the samples with a barcode to capture received weights. Samples are then dried to remove any moisture at 90 degrees +/- 5 degrees. Samples are then crushed ready for pulverisation. Any samples with a received weight >3.2Kg are split, with coarse residue fractions retained. From the pulverised material ALS take a master pulp split (~200-300g, depending on sample density) which is then used for the 30g fire-assay gold procedure. A 10g split is also taken for the multi element ICP analysis in Brisbane, and 1 in 20 samples will have a ~20g split taken for grind fineness testing. Sample batches include field duplicates, commercially available CRM's, and

Criteria	JORC Code explanation	Commentary
		blanks. Reverse Circulation drill chip duplicate samples were submitted at 1 in 30. Results from field duplicates showed that the sample size averaging approximately 2kg is appropriate for the grain size and showed good repeatability.
Quality of assay data and laboratory tests	• *Nature of quality control procedures.*	Gold was determined by 50g fire assay fusion at ALS in Orange NSW, with each fusion run consisting of up to 77 samples, 1 blank, 3 CRMs and 3 duplicates taken from the master pulp. Gold analysis was by air-acetylene AAS instrumentation to 0.005 g/t lower limit of detection. The other elements were determined by aqua regia digestion through ALS in Brisbane QLD, with analysis by a combination of ICP-MS and ICP-AES instrumentation. Laboratory QAQC for each digestion run of 35 samples includes 1 blank, 2 CRMs and 2 duplicates. 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 assay results were checked and verified against chip logging and chip tray samples by alternative company personnel. No independent verification was undertaken at this stage. 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. 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 hole collar coordinates were located by using a hand held GPS to an accuracy of 5m. The coordinate system reported is MGA Zone 55 (GDA94).
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.* • *Whether sample compositing has been applied.*	The exploration results reported in this announcement are from near surface reverse circulation drill holes that have not been planned at any pre-determined grid spacing. The data spacing and distribution is not sufficient to establish the degree of geological and grade continuity for a Mineral Resource. No downhole compositing was undertaken.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling.*	The reverse circulation drill holes do not provide structural information and the mineralisation trend orientation or relationship to strata and structures is as yet unknown. Due to the lack of drilling at the prospect and its early stage nature, we are unable to comment whether the sampling undertaken has achieved an unbiased sampling of possible structures.

Criteria	JORC Code explanation	Commentary
Sample security	• *The measures taken to ensure sample security.*	Samples were collected on site by Company personnel and transported for processing in Orange NSW and then returned to a secure lockup in Goulburn.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	The sampling procedure and results were reviewed by Company Geologists.

Woolgarlo Project JORC Table 1 Report

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 Metals Limited holds EL78215 for Group 1 Minerals with a current expiry date of 19th December 2016. 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.*	Lachlan Metals work completed in the lead up to this drilling program represents the first exploration specifically in this area.
Geology	• *Deposit type, geological setting and style of mineralisation.*	The Woolgarlo project is located within the Lachlan Fold Belt, NSW. Basement within the EL consists of intermediate volcanics of aerial to subaerial deposition. Lachlan Metals is actively exploring for epithermal style gold mineralisation.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results.*	A table detailing the drill hole information is given in the Appendix.
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 individual assay results are provided as a table in the Appendix. No grade cuts were applied. Assays reported were for results > 100 ppm Zn, Cu and or Pb. No metal equivalents were reported.
Relationship between mineralisation widths and intercept lengths	• *Geometry of the mineralisation with respect to the drill hole angle.*	The geometry of the mineralisation with respect to the drill hole angle is not known. The Exploration Results reported in this Announcement are reported as “down hole” width only and the true widths of the mineralisation are not known.

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.*	See figures included in this announcement.
Balanced reporting	• *Representative reporting of both low and high grades and/or widths.*	The reporting is considered to be balanced and all relevant results have been disclosed for this current phase of exploration.
Other substantive exploration data	• *Other exploration data.*	Images of magnetics and historical drill hole data are shown within the main body of the report. There is no other substantive exploration data that has been generated for inclusion in this report.
Further work	• *The nature and scale of planned further work.*	Lachlan Metals plans to complete its initial drill plan by completing one additional reverse circulation hole WO-05. Additionally, more samples are to be selected for petrographic analysis.