CENTREX METALS
LIMITED

ANNUAL REPORT
2015

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Contents

Chairman's Report

From listing in 2006 Centrex set out to develop a number of iron ore assets on the Eyre Peninsula in South Australia during what was at the time a rapidly growing market for the commodity. Great progress was made in this pursuit including the completion of two major joint ventures with Chinese steel mills that resulted in a strong balance sheet and the Company's ability to return $31 million in dividends to shareholders.

Centrex commenced a diversification strategy in 2013 to lower its portfolio risk, historically weighted solely to the iron ore market. This was shown to be a prudent strategy given the iron ore price collapse over the past 12 months, which resulted in asset impairments of $18.1 million and took the Company's loss before tax from $0.9 million in 2014 to $19.6 million in 2015. The Company also deferred the development of its Wilgerup hematite project from original plans to export out of Port Lincoln in an effort to investigate lower cost port options such as Port Spencer, which could make the project more robust against potential future price declines. Had we pushed Wilgerup into production as originally intended we would have suffered the same fate as many of our peers which have since gone into administration.

It has taken over two years for the Company to find the right flagship project acquisition, with grass roots metals exploration occurring in parallel in NSW, to complete the diversification away from iron ore and into other growth commodities. We have reviewed many assets over that time, and have resisted the urge to complete an acquisition for acquisitions' sake. With the Oxley Potash Project in Western Australia, we believe we have finally found the right acquisition at the right price, with potential for significant revenue generation in the medium-term.

Unlike our iron ore developments we are starting after significant price adjustments in the potash market, with potash prices and demand forecast to rise steadily over the long-term. We are concentrating on higher value potash products such as potassium nitrate that has a rapidly growing market as a water soluble fertiliser for micro-irrigation, and with lower price volatility than standard potassium chloride. The high-margin low-volume nature of the potassium nitrate market means a significantly reduced capital entry point compared to most other potash projects proposed, given the smaller scales required.

Oxley has many unique attributes that make it favourable for development, and much of our bulk commodities knowledge from iron ore can be readily applied to it. Oxley's surface mining conditions, existing infrastructure and very short logistics scenarios make it a strong contender to supply Asia, the largest potash market, which is currently reliant on North American and European imports for its needs. We have a major freight advantage to our Asian neighbours over the current suppliers. Access to cheap gas from the North West Shelf for nitrate production also provides for a compelling case into the potassium nitrate market. We believe the project has the potential to be a low cost producer in this market, resilient to commodity price cycles.

We are on a development path for Oxley that has a clear direction and project milestones, but we are starting from the beginning once more. We believe the majority of shareholders wish us to focus on building real and sustainable value via a path to significant revenue generation.

The current market places little to no value on blue sky potential or exploration gains and seeks feasibility studies demonstrating clear viability to consider value uplifts. We hope to achieve these uplifts at the completion of the current project scoping study in the first half of 2016. In the interim we have commenced our approvals applications to progress the initial resource drilling on the project that is to be carried out over the next few months. We envision the announcement of a resource at Oxley as a turning point with our value recognition in the market, which will signal we are no longer just another “iron ore hopeful”.

While Oxley is our focus we have made further progress on our NSW metals projects in the past year and continue to do so. Goulburn in particular has provided encouraging results with the discovery of a new massive sulphide prospect during our recent drilling program. Our geophysical studies since this discovery show good potential to expand this mineralisation along strike and we will review further drilling options over the coming months.

In terms of our current cash position your Board regularly reviews the Company’s capital management requirements, and where surplus cash is identified it is returned to shareholders. Your Board has formed a view that it does not currently have surplus capital for distribution as it progresses Oxley towards a Bankable Feasibility Study, reviews options for further metals exploration in NSW, and is considering additional non-ferrous acquisitions that could also provide near term value. Consideration is also being given to options available to recoup value from our iron ore portfolio. As it has done in the past your Board will continue to review its capital position and when prudent reward shareholders with further special dividends.

David Klingberg AO FTSE
Non-Executive Chairman

Dated at Adelaide this 22nd day of September 2015.

Chief Executive's Report

The acquisition and commencement of development of the Oxley Potash Project in Western Australia this year has provided a critical step forward in Centrex's goal to diversify away from iron ore development. The iron ore market has continued to deteriorate over the past year and there is not yet a clear consensus on when it may recover. Agri-business including potassium fertiliser demand outlook remains strong with a far more diversified market, less reliant on China alone, and driven by more primary factors such as population growth and land availability.

Oxley is a very unique opportunity to gain exposure to the agri-business sector, being a good cross over between mining and fertiliser production. Being a 32km long ultrapotassic lava flow at surface and shallow dipping means resource definition and mining parameters for the project are relatively straightforward. All the infrastructure such a project could desire is all in the immediate project area with Geraldton Port very close by, and accessible by either existing road or rail links. The key to the project is mineral processing for which testwork is well underway. The mostly likely front end for the project is a roast with salt sourced from an adjacent brine source pegged by the Company, to convert the ore initially into potassium chloride (muriate of potash).

From there we are focused on taking advantage of low cost gas from either the North West Shelf or Perth Basin to produce ammonia for nitric production to produce high-value potassium nitrate as a start-up product. This further differentiates the project from other potash plays promoted in the market. Australia itself; from our own market surveys, is a large consumer of potassium nitrate, which sells at around three times the price of standard potash, with the rest of our production flagged for the growing Asian market, with growth of the product linked to the growth of horticulture and use of water soluble fertilisers. We plan to be the only vertically integrated producer in our region, and with a major freight advanatge over the large Chilean and Israeli suppliers.

Our nitric acid costs are already estimated, drilling is underway for our maiden resource, and process design for the potassium plant is expected to be completed early in the new year, all culminating in a Scoping Study due out in the first half of 2016. From there a clear staged path of development towards revenue generation exists and the Company is well positioned financially to see this through to the point of project financing. We continue to see foreign investors playing a role in project financing and we are particularly focused on those that can provide the added benefit of fertiliser distribution networks in their home countries.

Aside from potash, independent reviews of our NSW metals projects are underway which are expected to generate recommendations for further exploration. Recent gravity work at Goulburn in particular has highlighted very prospective Volcanogenic Hotsed Massive Sulphide ("VHMS") style targets adjacent to polymetallic mineralisation intersected during the 2015 drilling. The mineralisation at the project is varied and complex along with their structure, and a steady and patient approach to exploration is required to define potentially economic ore bodies in the area.

For the iron ore portfolio we continue to seek opportunities to extract value in the near term but in parallel have reduced the tenement footprint to the key assets to reduce holding costs while we wait for the iron ore price to rise in the future. The Company's overheads too have been further reduced and streamlined again this year as we adapt the business to a more focused developer concentrating predominantly on Oxley.

The coming year shows promise for Centrex despite the continued forecast depressed resources market conditions, with major milestones due for our potash development that will demonstrate to the market the Company has advanced assets outside of iron ore and hopefully provide the catalyst for a re-rating.

OUR VISION AND STRATEGY

"Acquire, define and develop a portfolio of resource projects for developing markets to provide shareholder value."

Our focus is on finding resource projects with the potential to produce in the lower end of the cost curve, and that have realistic end to end development solutions. We seek to continue to attract foreign investment to fund significant project development in order to appropriately cap our capital risk. We aim to provide value realisation opportunities at early points in the development cycle, which will flow through to shareholders either through share growth or dividends from capital gains.

Our core strengths that underpin our strategy are;

- A growing bank of end to end project knowledge with access already to significant project intellectual property through our own projects and our joint ventures covering mining, processing, logistics and ports.
- A management team with experience in the whole mining supply chain.
- Strong international customer and investor networks throughout Asia with two existing Chinese backed joint ventures.

OXLEY POTASH PROJECT, WA (CENTREX 100%)

In May 2015 Centrex acquired the Oxley Potash Project ("Oxley") from Sheffield Resources Limited located in Western Australia for A$2.5 million.

Oxley is a 32km ultrapotassic lava flow that outcrops at surface and dips shallowly. The target lava flows comprise up to 90% potash feldspar. The project is around 125km southeast of the Port of Geraldton with access to the port via either two rail or road links.

Historical drilling was completed over an 8km section of the target lava unit in 2013 comprising of 17 RC and 3 diamond drill holes. Using a 6% K_2O cut-off, the drilling results show down-hole combined interval thicknesses of up to 72m, and weighted average combined interval grades of up to 10.1% K_2O. Historical drilling results were previously reported by Centrex. For full details of the results see announcement 8th March 2015:

http://www.asx.com.au/asxpdf/20150309/pdf/42x4hkg86j6w1d.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.

The Company is focusing on developing a process route to produce high-value potassium fertiliser from potash feldspar ($KAlSi_3O_8$). Bench scale roast testwork has commenced to analyse the optimal conditions of individual salt blends to convert potassium from the feldspar into a leachable form for subsequent processing. AMEC Foster Wheeler has been appointed to oversee the metallurgical testwork and process design.

Clough has completed a conceptual study for Centrex on a nitric acid plant at Oxley for production of potassium nitrate fertiliser (also known as "NOP"). Potassium nitrate has the highest value of the three main straight potassium fertiliser products, with an assumed FOB price range in 2015 of between $US 700 to $US 1,100 per tonne. The conceptual study showed an operating cost range of between $US 148 and $US 331 per tonne of 100% nitric acid depending on the decision to make or buy ammonia. 1 tonne of potassium nitrate (KNO3) is composed of approximately of 0.62 tonne of nitric acid (HNO3) equivalent.

Chief Executive's Report (contd)

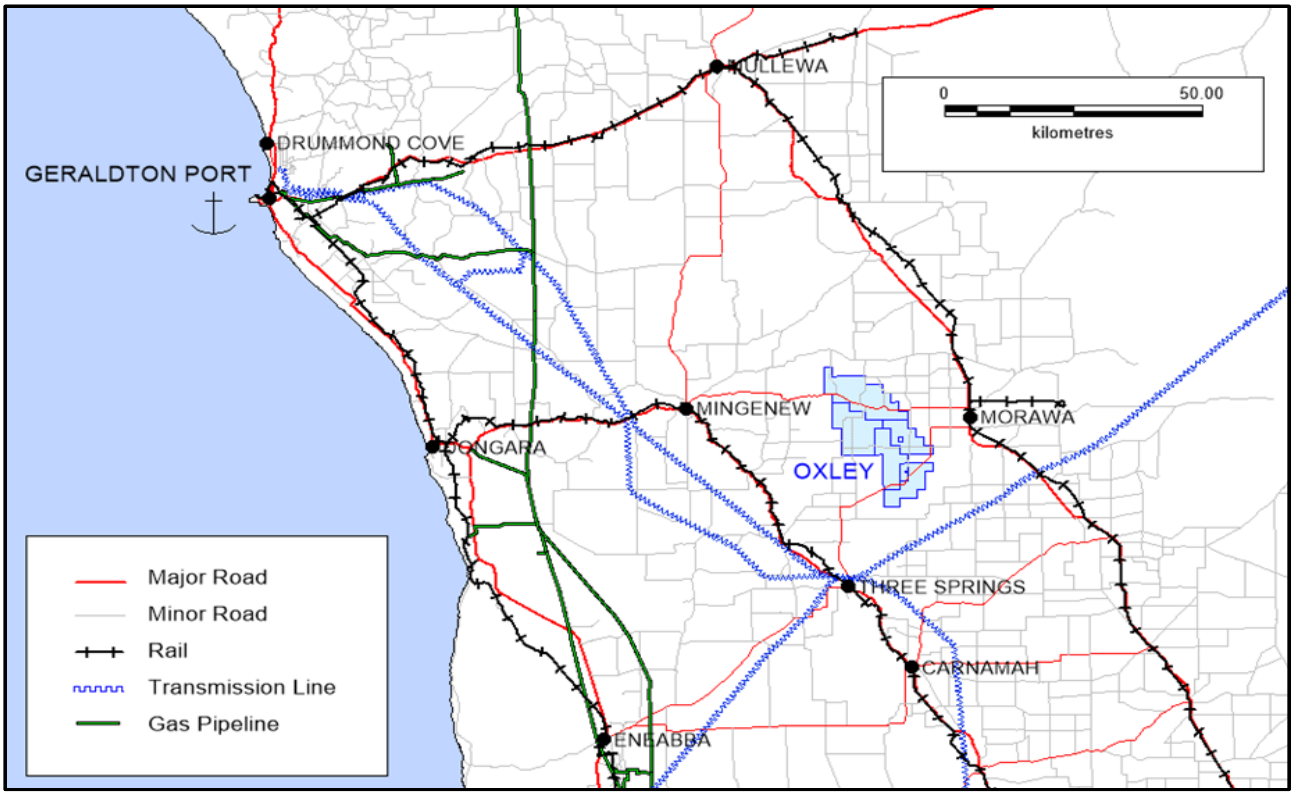

Figure: Oxley infrastructure location map.

Market intelligence trips have been completed in Southeast Asia, India and Australia to determine the demand for the water soluble potassium fertiliser products with a focus on potassium nitrate. Demand was noted for a potassium mining source in close proximity to Asia, with Asia currently reliant on imports from mostly Chile and Israel. Potential markets for potassium nitrate products were identified as well as possible distribution and investment partners already in the industry.

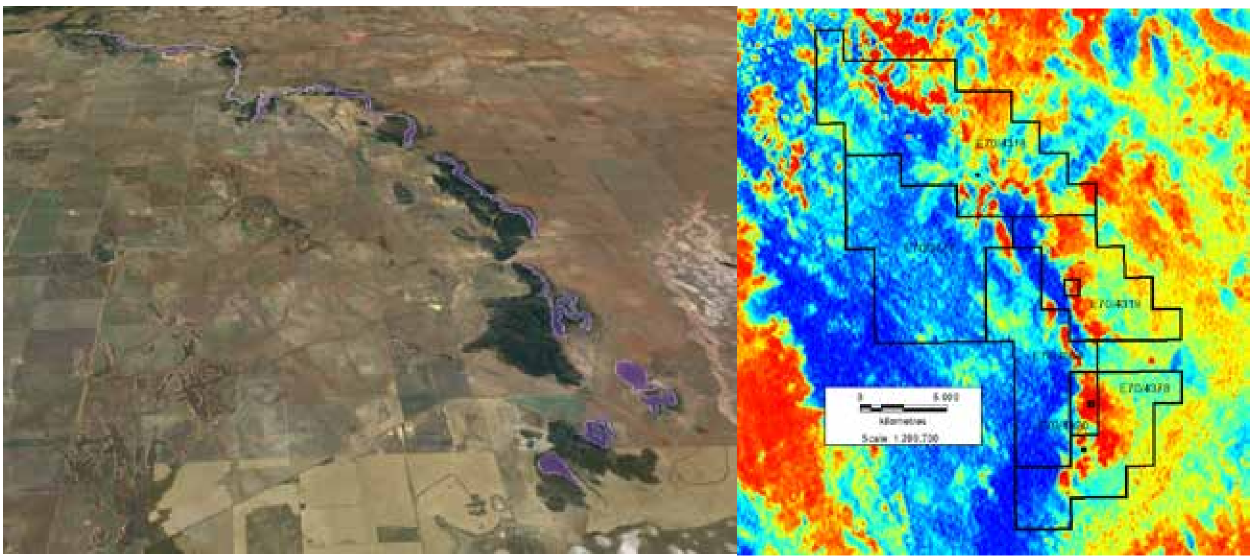

Figure: Satellite image of Oxley with ultrapotassic microsyenite outcrop highlighted in purple (left), and potassium radiometric image of the Oxley tenement areas (right).

Chief Executive's Report (contd)

GOULBURN POLYMETALLIC PROJECT, NSW (CENTREX 100%)

In early 2015 Centrex conducted a four hole diamond drilling program over the Collector area at the Goulburn Polymetallic Project in New South Wales, along with 72 air-core drill holes on nearby regional geophysical targets.

The first hole of the program CD010 targeted coincident magnetic and chargeability anomalies around 500m northeast of the Collector Skarn Deposit ("Collector"). The hole intersected a previously undiscovered zone of massive sulphides underlain by mineralised black shale that returned:

- 5.9m at 0.98% Cu, 0.31g/t Au, 0.50% Zn, and 8.64g/t Ag from 105.9m

  Including 2.9m at 1.34% Cu, 0.54g/t Au, 0.77% Zn and 9.0g/t Ag

The discovery of a new polymetallic prospect northeast of Collector ("Collector North") is highly encouraging and along with the nearby historic Glen VHMS Prospect around 250m east of Collector, provides potential for an extensive mineralised system.

During the drill program Centrex also defined further extensions of mineralisation at Collector itself, down-dip and along strike from historical drilling, with diamond hole CD009 of the program intersecting:

- 8m @ 2.5% Zn, 0.8% Cu, 0.4% Pb, 0.1g/t Au and 10.6g/t Ag from 242.2m depth

  Including 3m @ 4.5% Zn, 0.9% Cu, 1.0% Pb, 0.1g/t Au and 17.8g/t Ag

For further details of the diamond drilling results see announcements 17th June 2014, 27th February 2015 and 9th April 2015:

http://www.asx.com.au/asxpdf/20140617/pdf/42q7znkpj7hkbv.pdf

http://www.asx.com.au/asxpdf/20150227/pdf/42wy4j3mf43n6h.pdf

http://www.asx.com.au/asxpdf/20150409/pdf/42xslpdl10vx0z.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.

Air-core drilling focused on three regional geophysical targets derived from air-borne magnetics and a ground based gradient IP survey anomalies to the east of Collector. The targets were tested with fence lines of shallow holes (average 13m depth). Samples from the paleo surface as well as other units of interest from each hole were analysed for their geochemistry. Two of the targets showed elevated base metal contents, namely zinc in line with the targeted geophysical anomalies.

A high-resolution ground based gravity survey was also completed over Collector, Collector North, and The Glen VHMS Prospect as well as >3km of prospective De Drack Formation stratigraphy along strike predominantly to the southwest. The gravity survey highlighted two gravity "lobes" of curvilinear shape in the areas of Collector and Collector North. The more northeastern of the two lobes is potentially related to mineralisation at Collector North and had peak amplitudes approximately 150m southwest of the drilling completed by Centrex in 2015. The closest hole to the anomaly completed by Centrex CD010, passes just on the northeastern edge. At Collector both Centrex and historical drilling that intersected mineralisation appear to have yet to test the peaks of the gravity anomalies in the area.

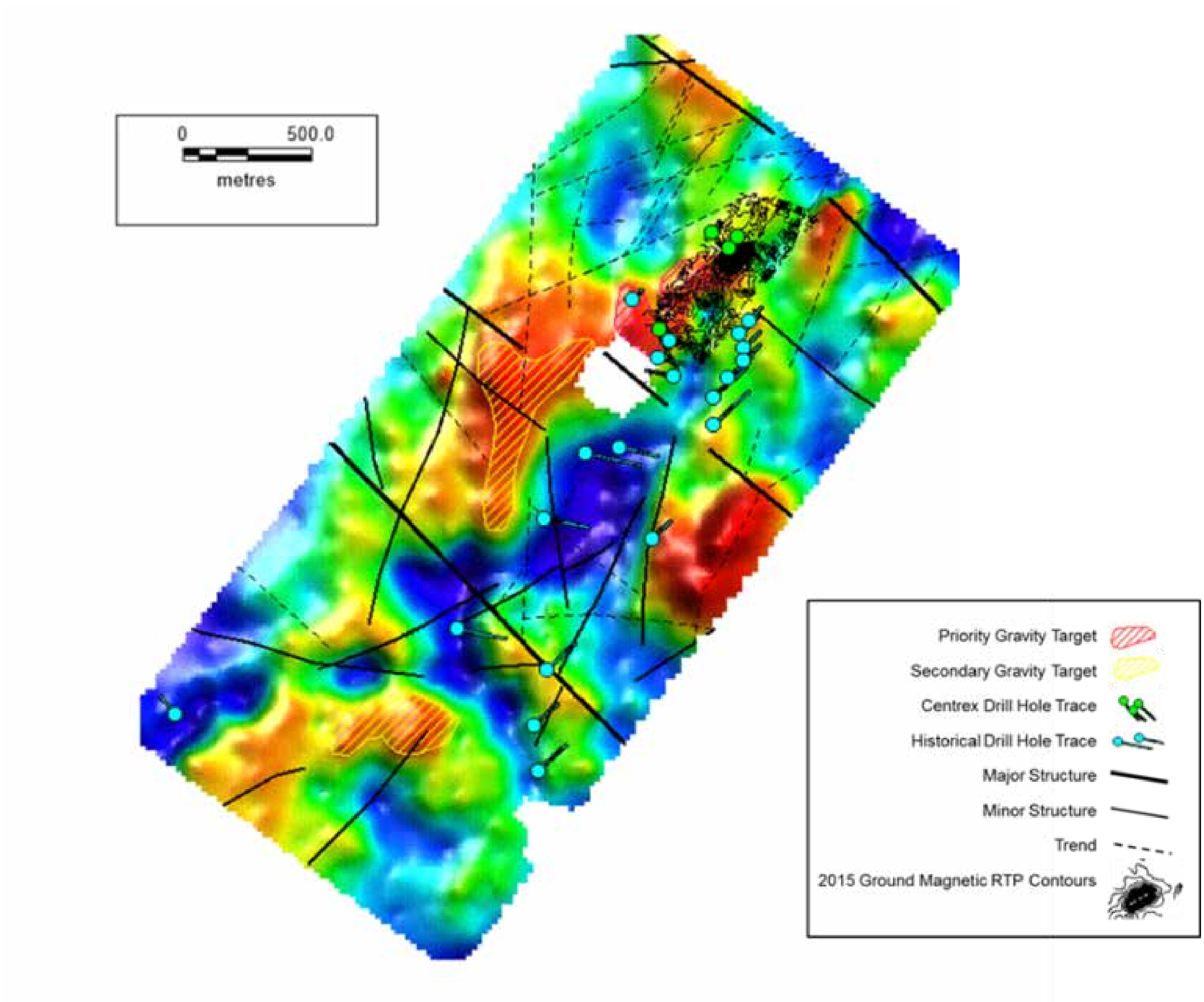

Figure: Plan view of Collector region showing the Upward Continued 200 metre filter subtracted from the Residual Bouguer Gravity.

WOOLGARLO GOLD PROJECT, NSW (Centrex 100%)

Centrex undertook a four hole reverse circulation ("RC") drill program at the Woolgarlo Gold Project ("Woolgarlo") in NSW in 2015. 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.

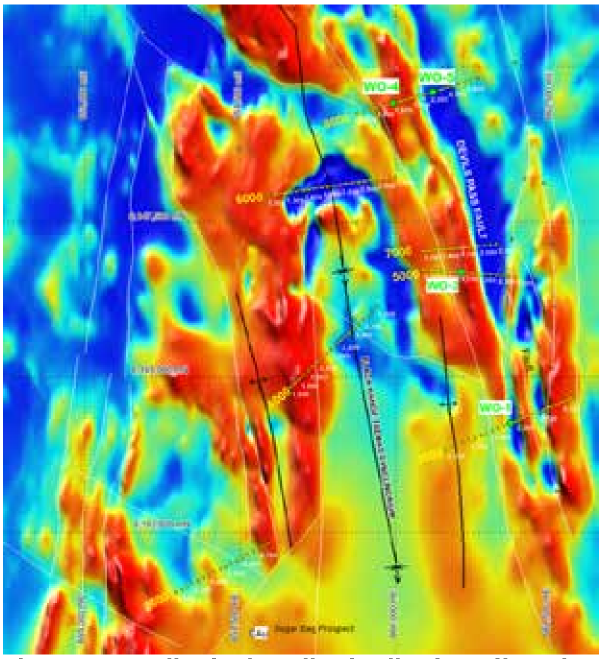

Figure: Map displaying dipole-dipole IP lines in yellow over reduced to pole magnetics, interpreted structure, completed (WO-1, WO-3, WO-4) and planned (WO-5) drill holes.

For further details of the drilling results see announcement 23rd June 2015:

http://www.asx.com.au/asxpdf/20150623/pdf/42zbvtffjy5bsb.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.

GUNDAROO GOLD PROJECT, NSW (Centrex 100%)

At the beginning of the financial year Centrex completed a shallow 12 hole 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. 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 tenement has since been relinquished.

SOUTH AUSTRALIA IRON ORE PORTFOLIO

Wilgerup Hematite Iron Ore Project (Centrex 100%)

All conceptual studies including infrastructure and port options have been completed for a deslime and reverse flotation process option at Wilgerup to reduce phosphorous and increase iron levels of the final product. The project is poised for development in the future once greater certainty is shown in iron ore pricing trends. Centrex will consider any options available to recoup value from the project in the meantime.

Port Spencer Joint Venture (Centrex 100%)

The South Australian Government provided an extension to the Development Approval for the project which now runs until December 2016.

Centrex was advised in March by Wugang Australian Resources Investment Pty Ltd ("WARI"), a subsidiary of Wuhan Iron & Steel (Group) Co. that all conditions precedent had been satisfied for the Port Spencer Joint Venture. Accordingly the Shareholders' Agreement, which forms the basis of the incorporated joint venture commenced.

WARI is now required to pay its initial contribution into the joint venture to match Centrex's previous expenditure, subject to Centrex confirming the expense amount, and WARI conducting a confirmatory audit of these amounts. The audit process is continuing and is expected to be finalised in the near term.

Kimba Gap Magnetite Project (Centrex 100%)

A new Mineral Claim (MC4378) was secured on 1 May 2015 over the Kimba Gap Magnetite Project ("Kimba Gap") through Centrex's wholly owned subsidiary Kimba Gap Iron Project Pty Ltd ("KGIP"). The Mineral Claim includes the most eastern section of the project previously held on Arrium Mining's ("Arrium") exploration license EL4732. Centrex had signed a dual tenancy agreement over the portion of Arrium's license that covers the project for the right to conduct an exploration program and lodge a Mineral Claim in its own name.

Baotou Iron & Steel (Group) Co. ("Baotou") agreed to undertake up to A$ 250,000 of metallurgical testwork on the project as part of its due diligence activities on the project. The outcomes of the testwork will be available to Centrex and aid it in its marketing efforts for the project in China and India.

Kimba Gap is located just 50km north of Centrex's existing iron ore joint venture with Baotou at the Bungalow Magnetite Project ("Bungalow").

Eyre Iron Magnetite Joint Venture (Centrex 40%, WISCO 60%)

Resource definition drilling was undertaken from January through to May 2015 with a total of 15 diamond drill holes completed at the Bald Hill Deposit which comprises part of the Fusion Magnetite Project. Resource modeling studies are now underway and expected for completion in the first quarter of the new financial year.

Cash held within the joint venture (100%) stands at $3.65M as at 30 June 2015.

Bungalow Magnetite Joint Venture (Centrex 70%, Baotou 30%)

No activities were undertaken during the year. Baotou had previously requested the Prefeasibility Study being undertaken at Bungalow be extended to analyse potential synergies in utilising common supporting infrastructure with Kimba Gap given the very similar nature of the projects. The new test work program being undertaken by Baotou at Kimba Gap is part of this analysis.

Chief Executive's Report (contd)

THE YEAR AHEAD

The focus of the 2016 financial year will be the completion of a Scoping Study at the Oxley Potash Project. Government approvals for resource definition drilling to underpin this study have been submitted and the program is expected to be completed by the end of 2015. Conceptual mine designs will be completed on the back of resource work in early 2016.

Processing testwork commenced earlier in the year to convert potassium contained within potash feldspar that comprises the majority of the target ultrapotassic lava flow into a soluble form for further processing. This work is mostly concentrated around roasting of the ore with salts to generate potassium chloride ready for water leaching. The work is well advanced and will continue during the first half of the new financial year including optimising of the chosen salt blend. This testwork will flow into the initial process design and cost estimation for the project to be completed in the first half of 2016.

Independent reviews of the exploration to date at Goulburn and Woolgarlo metals project in NSW will guide future exploration on the projects.

For the iron ore portfolio a major focus will be to reduce Centrex's holding costs as much as possible while the iron ore market continues to show volatility. A Retention Lease for Kimba Gap will be applied for in the second half of the year to aid in attracting investment into the asset. The Eyre Iron Joint Venture continues to hold sufficient cash reserves to maintain its sub-portfolio including Fusion outside of Centrex's own cash reserves. All options to extract value from the assets will be considered in the meantime.

Mr Ben Hammond
Chief Executive Officer

Dated at Adelaide this 22nd day of September 2015.

Mining Exploration Entity Annual Reporting Requirements

List of tenements in which the Group has an interest

TENEMENT LIST				AS AT 30 JUNE 2015
Location	**Exploration Licence number**	**Description**	**Held by:**	**Interest %**
South Australia	EL 4884	Bungalow / Minbrie	CXM[1]	70
	EL 5170	Kimba Gap	SAIOG[2]	100
	EL 5617	Stony Hill	SAIOG[2]	100
	EL 5559	Wanilla	CXM[1]	40
	EL 5641	Wilgerup	CXM[1]	100
	EL 4885	Greenpatch	CXM[1]	40
	EL 4605	Dutton Bay	CXM[1]	40
	EL 5065	Mount Hill	SAIOG[2]	40
	EL 4998	Carrow	SAIOG[2]	40
New South Wales	EL 7388	Goulburn	LM[3]	100
	EL 7503	Archer	LM[3]	100
	EL 8215	Woolgarlo	LM[3]	100
Western Australia	E70/3777	Oxley A	CPPL[4]	100
	E70/4004	Oxley B	CPPL[4]	100
	E70/4318	Oxley C	CPPL[4]	100
	E70/4319	Oxley D	CPPL[4]	100
	E70/4320	Oxley E	CPPL[4]	100
	E70/4378	Oxley F	CPPL[4]	100
	E70/4729	Oxley G	CPPL[4]	100

1 Centrex Metals Limited
2 South Australian Iron Ore Group Pty Ltd (a wholly owned subsidiary of Centrex Metals Limited)
3 Lachlan Metals Pty Ltd (a wholly owned subsidiary of Centrex Metals Limited)
4 Centrex Potash Pty Ltd (a wholly owned subsidiary of Centrex Metals Limited)

Annual review of mineral resources and ore reserves

The information included in the table below was prepared in accordance with JORC Code 2004 except the results for Kimba Gap which was reported in accordance with JORC Code 2012. The Company confirms that it is not aware of any new information or data that materially affects the information included in the table and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not changed.

MAGNETITE IRON ORE MINERAL RESOURCES BY AREA — AS AT 30 JUNE 2015

Location	Resource Classification	Tonnage (Mt)	Head Grade		Davis Tube Recovery ('DTR') (%)	Concentrate Grade	
			Fe (%)	SiO_2 (%)		Fe (%)	SiO_2 (%)
Bungalow[1]	Measured	22.3	29.1	51.8	36.2	70.7	1.9
	Indicated	163.5	30.5	48.5	34.8	69.9	2.5
	Inferred	53.3	31.9	45.3	35.7	69.4	2.6
	Total	**239.1**	**30.7**	**48.1**	**35.2**	**69.8**	**2.4**
Minbrie[1]	Inferred	99.0	27.0	54.8	32.2	69.2	3.2
	Total	**99.0**	**27.0**	**54.8**	**32.2**	**69.2**	**3.2**
Total Bungalow joint venture	Measured	22.3	29.1	51.8	36.2	70.7	1.9
	Indicated	163.5	30.5	48.5	34.8	69.9	2.5
	Inferred	152.3	28.7	51.5	33.4	69.3	3.0
	Total	**338.1**	**29.6**	**50.1**	**34.3**	**69.7**	**2.7**
Koppio[2]	Measured	10.8	22.7	52.3	18.0	68.2	4.1
	Indicated	106.6	24.3	52.0	19.9	68.6	3.6
	Inferred	99.6	24.5	52.3	21.1	68.8	3.4
	Total	**217.0**	**24.3**	**52.1**	**20.4**	**68.7**	**3.5**
Brennand[2]	Indicated	155.8	24.2	50.8	18.8	67.8	4.5
	Inferred	110.4	24.6	50.2	18.0	67.2	4.9
	Total	**266.2**	**24.4**	**50.6**	**18.5**	**67.6**	**4.7**
Kapperna[2]	Indicated	38.5	29.7	43.1	35.1	69.9	2.2
	Inferred	23.3	29.7	43.8	32.8	68.9	3.3
	Total	**61.8**	**29.7**	**43.3**	**34.3**	**69.6**	**2.6**
Iron Mount[2]	Inferred	135.0	25.5	36.7	29.3	62.1	9.1
	Total	**135.0**	**25.5**	**36.7**	**29.3**	**62.1**	**9.1**
Total Fusion area	Measured	10.8	22.7	52.3	18.0	68.2	4.1
	Indicated	300.9	24.9	50.2	21.3	68.5	3.7
	Inferred	368.3	25.2	45.4	23.9	65.4	6.3
	Total	**680.0**	**25.1**	**47.7**	**22.7**	**66.8**	**5.2**
Carrow[2]	Indicated	72.4	27.3	40.1	28.7	68.5	3.3
	Inferred	86.8	27.2	41.6	27.0	65.4	6.7
	Total	**159.2**	**27.2**	**41.0**	**27.8**	**66.9**	**5.2**
Greenpatch[2]	Inferred	54.8	24.9	33.8	26.8	68.3	3.0
	Total	**54.8**	**24.9**	**33.8**	**26.8**	**68.3**	**3.0**
Kimba Gap[3]	Inferred	487.1	24.7	53.8	18.5	68.6	2.9
	Total	**487.1**	**24.7**	**53.8**	**18.5**	**68.6**	**2.9**

Mining Exploration Entity Annual Reporting Requirements (contd)

[1] DTR (percent weight recovery) and concentrate results were from Davis Tube test work performed at -38µm
[2] DTR (percent weight recovery) and concentrate results were from Davis Tube test work performed at -75µm
[3] DTR (percent weight recovery) and concentrate results were from Davis Tube test work performed at -38µm

The information included in the table below was prepared in accordance with JORC Code 2004. The Company confirms that it is not aware of any new information or data that materially affects the information included in the table and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not changed.

HEMATITE IRON ORE MINERAL RESOURCES BY AREA							AS AT 30 JUNE 2015
Location	Resource Classification	Tonnage (Mt)	Head Grade				
			Fe (%)	SiO_2 (%)	Al_2O_3 (%)	LOI	P (%)
Wilgerup	Measured	-	-	-	-	-	-
	Indicated	13.3	57.7	4.8	2.8	5.0	0.51
	Inferred	0.8	56.6	5.2	2.5	4.0	0.57
	Total	**14.1**	**57.7**	**4.8**	**2.8**	**5.0**	**0.51**

Wilgerup Ore Reserves were reported in August 2007. At that time the Reserve estimation was based on a price for 58% Fe iron ore FOB Australia of $US 50 per tonne. The Company's best estimate of the current equivalent price is no less that $US 40 per tonne. Given the collapse in iron ore prices in the last 12 months Centrex's believes there are no definable reserves under current pricing conditions.

HEMATITE IRON ORE RESERVES BY AREA							AS AT 30 JUNE 2015
Location	Reserve Classification	Tonnage (Mt)	Head Grade				
			Fe (%)	SiO_2 (%)	Al_2O_3 (%)	LOI	P (%)
Wilgerup	Proved	-	-	-	-	-	-
	Probable	-	-	-	-	-	-
	Total	**-**	**-**	**-**	**-**	**-**	**-**

Comparison of annual mineral reserves and resources statement to the prior year

The table on the following page summarises the changes that took place as far as the Group's mineral resources and reserves are concerned. The information contained in this table should be read in conjunction with the detailed resource and reserve information provided above and on the previous page.

The Company notes that on 17 September 2015 it announced an updated resource for the Fusion project on the Eyre Peninsula. As the resource update occurred after 30 June 2015, the resulting data has not been included in this annual report. For details of the resource update please see the link provided below.

http://www.asx.com.au/asxpdf/20150918/pdf/431f68b3p86hln.pdf

Location	Resource or Reserve	Tonnage (Mt) of Iron Ore		Notation
		30/6/2014	30/6/2015	
Total Bungalow Joint Venture	Resource	338.1	338.1	No change
Total Fusion Area	Resource	680.0	680.0	No change
Carrow	Resource	159.2	159.2	No change
Greenpatch	Resource	54.8	54.8	No change
Kimba Gap	Resource	Not applicable	487.1	Resource published for the first time
Wilgerup	Resource	14.1	14.1	No change
Wilgerup	Reserve	7.6	0.0	Reserve reduced to zero due to economic factors

Summary of governance arrangements and internal controls in place for the reporting of mineral resources and ore reserves

Mineral Resources and Ore Reserves are estimated by suitably qualified consultants in accordance with the JORC Code, using industry standard techniques and internal guidelines for the estimation and reporting of Ore Reserves and Mineral Resources. These estimates and the supporting documentation are then reviewed by suitably qualified Competent Persons from the Company.

All Ore Reserve estimates are prepared in conjunction with pre-feasibility studies which consider all material factors.

The Mineral Resources and Ore Reserves Statements included in the Annual Report are reviewed by suitably qualified Competent Persons from the Company prior to its inclusion.

Cross referencing of the resource announcements

For more detail regarding the Kimba Gap resource please see the announcement of 29 July 2014.

http://www.asx.com.au/asxpdf/20140729/pdf/42r2y42ddx4sh1.pdf

For more detail regarding the Bungalow resource please see the announcement of 25 May 2012.

http://www.asx.com.au/asxpdf/20120525/pdf/426gp0l17x8p6l.pdf

For more detail regarding the Fusion area, Carrow and Greenpatch resources please see the announcement of 18 February 2013.

http://www.asx.com.au/asxpdf/20130218/pdf/42d2m8n09wywwg.pdf

For more detail regarding the Wilgerup resources please see the announcement of 23 October 2009.

http://www.asx.com.au/asxpdf/20091023/pdf/31lk86y343jpv1.pdf

Competent Persons Statement

The information in this report relating to Exploration Results (contained in the Chief Executive Officer's report) and the resources and reserves data contained in the previous two pages is based on information either compiled or reviewed 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.

Directors' Report

For the Year Ended 30 June 2015

The Directors present their report together with the consolidated financial report of Centrex Metals Limited ("Company") and its controlled entities ("Group"), for the financial year ended 30 June 2015 and the auditor's report thereon.

Section	Contents of Directors' Report

1. Directors and Company Secretaries

1.1 Directors

The directors in office at any time during or since the end of the financial year are:

Name and Qualifications	Position, Experience and special responsibilities
Mr David Klingberg AO FTSE, D UniSA, B.Tech, FIE Aust, FAus IMM, FAICD, KSJ Appointed 19/4/05 Chairman since 15/1/10	Independent Chairman Mr Klingberg has 34 years' experience as a professional engineer with Kinhill Limited including 10 years as CEO managing professional engineering services to resource development and other industries. He is a former Chancellor of the University of South Australia, retiring in 2008 after holding the position for 10 years. Mr Klingberg is a director of ASX listed companies Codan Limited (ASX: CDA) and E&A Limited (ASX: EAL). He is also Chairman of the Technical Advisory Panel for the Commonwealth's proposed National Radioactive Waste Management Facility. He was formerly the Chairman of Barossa Infrastructure Limited and the Premier's Climate Change Council and has recently retired from the board of Snowy Hydro Limited and the State Government Boards of Renewables SA and Invest in SA. He is Patron of the Cancer Council of South Australia and the St Andrew's Hospital Foundation. Mr Klingberg is on the Board of Port Spencer Pty Ltd, the Centrex – WISCO joint venture to develop and operate Port Spencer. Mr Klingberg is a member of the Company's Audit and Risk Management Committee and the Remuneration and Nomination Committee.
Mr Jim Hazel BEc, SF Fin, FAICD Appointed 12/7/10	Independent Non-Executive Director Mr Hazel has had an extensive career in banking and investment banking, including as Chief General Manager of Adelaide Bank Ltd and was formerly managing director of an ASX listed retirement village and aged care operation. He is now a professional public company director and is currently a Director of Bendigo and Adelaide Bank Limited (ASX: BEN), Rural Bank Limited, Impedimed Limited (ASX: IPD), Coopers Brewery Limited, Ingenia Communities Group (ASX: INA, Chairman) and the Motor Accident Commission. Mr. Hazel is Deputy Chairman of the Company and chairs the Company's Audit and Risk Management Committee and the Remuneration and Nomination Committee.
Mr Graham Chrisp B Tech (CE) Appointed 21/1/10	Non-Executive Director Mr Chrisp has a degree in Civil Engineering and has substantial experience in numerous aspects of business operations, including engineering design and construction, mineral exploration, mining and property development. He was a founding director of Centrex Metals Limited (having previously served as its founding Managing Director from 2003 to 2005) and is Executive Chairman of the Outback Metals Pty Ltd (ASX: OUM, delisted on 26/2/15) and has numerous private interests. Mr Chrisp is also a Director of unlisted South Cove Ltd, the largest shareholder in the Company. Accordingly, he is not considered to be "independent" for the purposes of the Company's corporate governance policies. Mr Chrisp is a member of the Company's Remuneration and Nomination Committee.

Directors' Report (cont)

1.1 Directors (continued)

The directors in office at any time during or since the end of the financial year are (continued):

Name and Qualifications	Position, Experience and special responsibilities
Mr Kiat Poh CDipAF, Dip MS, Dip CE Appointed 21/5/08	Independent Non-Executive Director Mr Poh has over 30 years' experience at senior management level in the construction, quarrying, real estate development, manufacturing industries and financial markets. Over the years, he also held senior positions in corporate finance and mezzanine capital investment companies in Malaysia specialising in investments as well as mergers and acquisitions. From 1998 to 2005, he was Managing Director of a Singapore Exchange listed company. Since 2005, Mr Poh has managed a Singapore based investment advisory company that focuses on participating in strategic stakes in listed companies. He is also a director of SML Corporation Limited (ASX: SOP). Mr Poh is a member of the Company's Audit and Risk Management Committee.
Mr Bingqiang Lu BE (Mining) Appointed 18/9/12 Retired	Non-Executive Director Mr Lu holds a Bachelor of Mining from Northeastern University of China and has over 20 years' experience in the mining industry. He has held a number of positions with Wuhan Iron & Steel (Group) Corp (WISCO) at WISCO's Jinshandian mine, an underground magnetite mine, in technical, research and infrastructure roles. Mr Lu is currently the Managing Director of Wugang Australian Resources Investment Pty Ltd, a wholly owned subsidiary of WISCO and a Director of Eyre Iron Pty Ltd, the manager of the Centrex – WISCO joint venture. Prior to his role with Eyre Iron, Mr Lu was the Managing Director of Jinshandian mine. As Managing Director of Wugang Australian Resources Investment Pty Ltd, Mr Lu is not considered to be "independent" for the purposes of the Company's corporate governance policies.
Mr John den Dryver BE (Mining), MSc, FAusIMM Appointed 1/3/11 Retired 18/11/14	Independent Non-Executive Director Mr den Dryver is a Mining Engineer with extensive project development and operational management experience at a senior level in the mining industry, including taking projects in Australia and overseas from grassroots exploration through feasibility, financing and into implementation. His role with Newmont Australia (formerly Normandy Mining Group) included detailed feasibility and development implementation of underground mining operations, assessment and acquisition of mineral projects in Ghana, as well as significant operational involvement with North Flinders Mines and The Granites gold mine in the Northern Territory. Mr den Dryver is a current director of Gascoyne Resources Ltd (ASX: GCY) and Adelaide Resources Ltd (ASX: ADN) and is a former director of Helix Resources Ltd (ASX: HLX). He is also on the Board of Eyre Iron Pty Ltd, the manager of the Centrex – WISCO joint venture.

1.1 Directors (continued)

The directors in office at any time during or since the end of the financial year are (continued):

Name and Qualifications	Position, Experience and special responsibilities
Mr Chenggang Guo Appointed 6/3/15	Alternate Non-Executive Director for Mr Bingqiang Lu Mr Guo is the Chief Financial Officer and a director of Wugang Australian Resources Investment Pty Ltd, the second largest shareholder in the Company. Accordingly Mr Guo is not considered to be independent for the purposes of the Company's corporate governance policies.

1.2 Company Secretaries

Company Secretaries

The Company Secretary and Chief Financial Officer, Mr Gavin Bosch joined the company in January 2008 and was appointed Company Secretary on 2 May 2008. Mr Bosch has over 17 years' experience in the mining industry and is a Certified Practicing Accountant and a member of the Governance Institute of Australia.

Ms Angela Webb was a former joint Company Secretary. She resigned as Company Secretary on 22nd September 2014 and ceased employment with the Company at the same time.

2. Executives considered to be Key Management Personnel

The executives considered to be key management personnel in office at any time during or since the end of the financial year are:

Chief Executive Officer

The Chief Executive Officer, Mr Ben Hammond was appointed on 1 July 2013, and was Acting Chief Executive Office since 13 February 2013. Prior to this Mr Hammond was the company's Chief Development Officer as well as Chief Operating Officer for Eyre Iron Pty Ltd, Centrex's iron ore joint venture with Wuhan Iron & Steel (Group) Co. Mr Hammond remains a Director of Eyre Iron Pty Ltd.

Mr Hammond holds a degree in Geology as well as an MBA. He has spent his career in bulk commodities with Centrex Metals, Illawarra Coal and BHP Billiton Iron Ore. His roles have spanned business development, project management, business improvement, mine geology and exploration. His operational experience extends beyond mining having also worked in ports, rail and maintenance.

General Manager, Exploration

The General Manager, Exploration, Mr Alastair Watts was appointed 15 March 2007.

Mr Watts is a geologist with 24 years' experience in mining and exploration geology and is a member of the Australian Institute of Mining and Metallurgy. He has worked extensively within a range of commodities and mine sites across Australasia including the gold mining regions near Kalgoorlie, Western Australia, Charters Towers, Queensland, the Solomon Islands, nickel laterite in Indonesia and phosphate in Queensland. More recently he held a 3 year position with BHP Iron Ore as the Superintendent of Geology and Quality Control at Newman, Western Australia.

Mr Watts holds a Bachelor of Science (Geology) from Flinders University of South Australia and a Diploma of Business (Front Line Management) from the Australian Institute of Management.

Chief Financial Officer

Mr Gavin Bosch is the Company Secretary and Chief Financial Officer and is considered to be a member of key management personnel and his qualifications are listed above at item 1.2 of this Directors' Report.

General Manager, Engineering

Mr Stephen Brown ceased employment with the Company on 12 September 2014. He was formerly the General Manager, Engineering, having been appointed 4 January 2011.

Directors' Report (cont)

3. Directors' Meetings

The number of directors' meetings and number of meetings attended by each of the directors of the Group during the year ended 30 June 2015 was:

	Board Meetings		Audit and Risk Management Committee Meetings		Remuneration and Nomination Committee	
	Eligible to Attend	Number Attended	Eligible to Attend	Number Attended	Eligible to Attend	Number Attended
Mr D Klingberg AO	13	13	3	3	1	1
Mr K Poh	13	13	3	3	-	-
Mr G Chrisp	13	13	-	-	1	1
Mr B Lu *	13	13	-	-	-	-
Mr J Hazel	13	12	3	3	1	1
Mr J den Dryver	5	5	-	-	-	-

* Mr Chenggang Guo attended two meetings as alternate for Mr Bingqiang Lu.

4. Corporate Governance Statement

The Board is committed to the principles underpinning best practice in corporate governance. The Company must comply with the ASX Listing Rules which require it to report annually on the extent to which it complied with the Corporate Governance Principles and Recommendations (Principles) as published by the ASX Corporate Governance Council. The Board believes that the Company has complied with the Principles for the current reporting period unless otherwise stated in this Corporate Governance Statement.

A description of the Company's main corporate governance practices are set out below. All relevant corporate governance policies are also available on the Company's website located at:

http://centrexmetals.com.au/governance/

Principle 1: Lay solid foundations for management and oversight

Role of the Board

The Board has established the functions reserved for the Board and delegated certain functions to the Chief Executive Officer and senior executives of the Company. These functions are discussed in more detail below and are also contained in detail in the Board Charter which can be found in the corporate governance section of the Company website.

The Board's primary role is the protection and enhancement of long-term shareholder value. To fulfil this role, the Board is responsible for the overall corporate governance of the Company and its subsidiaries including formulating its strategic direction, approving and monitoring budgets including capital expenditure, setting remuneration for key executives, appointing, removing and creating succession policies for directors and senior executives, establishing and monitoring the achievement of management's goals and ensuring the integrity of internal control and management information systems. It is also responsible for approving and monitoring financial and other reporting.

The Board delegated responsibility for operation and administration of the Company and matters not expressly reserved to the Board to the Chief Executive Officer.

Principle 2: Structure the Board to add value

Composition of the Board

The Constitution of the Company specifies that the number of directors shall be not less than three or more than eight. As at the date of this report, the Company has 5 directors which the Board considers appropriate given the size and nature of the Company. In making this determination, the Board gave consideration to the breadth of experience and skills on the Board, the total remuneration currently paid to directors and the total number of executives and other employees. The Board may at any time appoint a director to fill a casual vacancy.

The names, qualifications and experience of the Directors of the Company in office at the date of this report are set out in Section 1 of this Directors' Report.

The composition of the Board is regularly reviewed to ensure that it continues to have the right combination of experience, and competencies to fulfil its responsibilities effectively. The Board also considers that there should be a majority of Non-Executive Directors; at least half of the directors should be independent Directors; and that the Chairman must be a non-executive independent Director.

Independence of Board members

In determining the independent status of a Director, the Board considers whether the Director:

- is employed by the Company or has been employed by the Company within the previous three years in an executive capacity;
- is a substantial shareholder of the Company (i.e. holds at least five per cent of the voting shares of the Company) or is directly or indirectly associated with a substantial shareholder;
- has within the last three years been a principal or employee of a material professional adviser or a material consultant to the Company or another group member;
- is a material supplier or customer of the Company or another group member, or directly or indirectly associated with a material supplier or customer;
- has a material contractual relationship with the Company or another group member other than as a Director of the Company; and
- has any interest or any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company.

For the purposes of determining what is "material" in the above context, the Board considers, any Director-related business relationship to be material if it represents, or is likely in future to represent at least 10% per cent of the relevant segment's or the Director-related business's revenue or expenditure. The Board considered the nature of the relevant industries' competition and the size and nature of each Director-related business relationship, in arriving at this threshold.

The Chairman, Mr David Klingberg, Mr Kiat Poh and Mr Jim Hazel are all considered to be independent by virtue of their meeting the criteria outlined directly above.

Of the remaining current directors, Mr Graham Chrisp and Mr Bingqiang Lu are not considered to be independent. Mr Chrisp is a director of South Cove Ltd, the largest single shareholder in the Company and Mr Lu is a director of Wugang Australian Resources Investment Company Pty Ltd (WARI), the second largest shareholder in the Company. As at 30 June 2015 the composition of the Board complies with its defined objectives.

Nomination, retirement and appointment of Directors

The charter of the Remuneration and Nomination Committee and the process for selecting and appointing new Board members can be found in the corporate governance section on the Company website.

Where a vacancy exists, the Remuneration and Nomination Committee will recommend suitable candidates after having undertaken a review of the necessary and desirable competencies of the candidate and then report their findings to the Board as a whole. The Chairman of the Board will then make the necessary approach to any potential candidates.

The constitution of the Company and the ASX Listing Rules require that at each annual general meeting, one third of Directors (excluding the Managing Director) together with any director appointed since the last annual general meeting retire from office. Retiring directors offering themselves for re-election must confirm the director's on-going capacity and commitment to fulfil the role before acceptance of their offer by the Board.

Independent professional advice and access to company information

Each Director has the right of access to all relevant Company information and to the Company's executives and, subject to prior consultation with the Chairman, may seek independent professional advice from a suitably qualified adviser at the Group's expense. The Director must consult with an advisor suitably qualified in the relevant field, and obtain the Chairman's approval of the fee payable for the advice before proceeding with the consultation. A copy of the advice received by the Director is made available to all other members of the Board.

Performance Evaluation

The Board has formally outlined the performance evaluation process for the Board and senior executives in a document titled "Performance Evaluation Process" which can be found in the corporate governance section of the Company website.

The Chairman is responsible for ensuring regular reviews of the Board, its committees and individual members. The process includes formal and informal interviews and surveys, the goal of which is to identify improvements to board processes and procedures.

Directors' Report (cont)

The performance of senior executives is reviewed annually (or more regularly as appropriate) by the Board in conjunction with the Chief Executive Officer. The process for evaluating the performance of senior executives is for the Chief Executive Officer to measure performance against objective benchmarks including operational or financial milestones and report the performance to the Board. The performance of the Chief Executive Officer is also measured against objective benchmarks including operational or financial milestones and is undertaken by the Board. Performance reviews for all senior executives including the Chief Executive Officer were conducted during the reporting period.

Principle 3: Act ethically and responsibly

Code of conduct

The Board has established a Code of Conduct under which all directors, and employees are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Group. The Code of Conduct addresses matters such as compliance with laws, appropriate standards of behaviour, the management of conflicts of interest, environmental management and dealings with individuals in both employment and other contexts.

The Board reviews the Code of Conduct regularly to ensure the highest standards of behaviour and professionalism. Further detail relating to the Code of Conduct is available in the document titled "Board Charter and the Role of Management" which can be found in the corporate governance section of the Company website.

Share Trading Policy

The Board has formulated a Share Trading Policy which applies to all directors, managers, employees and regular consultants. A complete version of the policy can be found in the corporate governance section of the Company website.

Among other things the policy establishes a procedure for notifying the Chief Executive Officer, Chairman or Company Secretary of intended trading activity of Company officers, employees or consultants in the securities of other companies in respect of which that person may have inside knowledge deriving from their position within the Company.

Diversity

The Company is committed to providing an inclusive workplace and recognises the value that a workforce made up of individuals with diverse skills, values, backgrounds and experiences will bring to the Company. At the core of the Company's diversity policy is a commitment to equality and respect. The full diversity policy can be found in the corporate governance section of the Company website.

The Company has not at this time established measureable objectives for achieving gender diversity given the size of the team and the low staff turnover. Measurable objectives will be established when the Board considers that the Company has grown to a point where it is appropriate to do so.

Details of women employed by the Company as at 30 June 2015 are as follows:

Level	Total	Women
Board	5	0
Management	3	0
Company	11	1

Principle 4: Safeguard integrity in corporate reporting

Audit and Risk Management Committee

The Board has established an Audit and Risk Management Committee, which advises the Board on the establishment and maintenance of a framework of internal control, risk management and appropriate ethical standards for the management of the Group. The complete charter for the committee can be found in the corporate governance section of the Company website.

The members of the Committee are Mr Hazel (Chairman), Mr Klingberg and Mr Poh, all of whom are independent non-executive directors. The Committee is responsible for:

- overseeing the integrity of the financial reporting process and ensuring that the financial statements adequately represent the Company's financial position, results of operations and cash flows;
- overseeing the Company's compliance with corporate policies that provide processes, procedures and standards to follow in accomplishing the Company's objectives;
- reviewing the Company's internal financial controls and internal control and risk management systems;
- making recommendations to the Board about the appointment of the Company's external auditor.

The Chief Executive Officer, Chief Financial Officer and external auditor are invited to attend meetings of the Audit and Risk Management Committee at the discretion of the committee.

Principle 5: Make timely and balanced disclosures

Continuous Disclosure Policy

The Directors are committed to keeping the market fully informed of material developments to ensure compliance with ASX listing rules and the *Corporations Act 2001*. Information which could be seen to affect the share price and which must be released in accordance with ASX's continuous disclosure regime is immediately made available to the public as a release to the ASX. The release is also placed on the Company's website. The Company's continuous disclosure policy sets out the requirements and processes put in place by the Company to ensure that its obligations to disclose relevant information are met and to ensure accountability at senior executive level for that compliance. A complete version of the policy can be found in the corporate governance section of the Company website.

Principle 6: Respect the rights of security holders

The Board has established a formal policy in relation to Communications with Shareholders which aims to promote communication with shareholders in a form and language intended to be easily understandable, and which encourages effective participation at general meetings. All shareholders are encouraged to attend and be heard at the Company's annual general meeting. The external auditor attends the Company's annual general meeting to respond to specific questions from shareholders regarding financial matters.

A complete version of the policy relating to Communications with Shareholders can be found in the corporate governance section of the Company website.

Principle 7: Recognise and manage risk

Audit and Risk Management Committee

The Company does not currently have an internal audit function. Given the size of the Company the Board has established an Audit and Risk Management Committee, which adequately advises the Board on the establishment and maintenance of a framework of internal control, risk management and appropriate ethical standards for the management of the Group.

The complete charter for the Committee can be found in the corporate governance section of the Company website.

In the context of the existing framework of internal control and risk management the Chief Executive Officer and Chief Financial Officer manage the financial, legal and reputational risks of the Company on an ongoing basis.

The ongoing mitigation and management of material business risks is a standing item of business for the Audit and Risk Management Committee. During the year the committee received from management a report detailing the Company's material business risks and the internal controls in place to manage those risks. Both the committee and the Board as a whole are satisfied that those control mechanisms are appropriate at this point in time. The Company's material business risks are outlined in the document titled "Risk Factors", which is located in the corporate governance section of the Company website.

The financial reporting and internal control mechanisms are supported by declarations given by the Chief Executive Officer and Chief Financial Officer to the Audit and Risk Management Committee and the Board as a whole, which are in accordance with section 295A of the *Corporations Act 2001*.

Principle 8: Remunerate fairly and responsibly

Remuneration and Nomination Committee

The Board has a Remuneration and Nomination Committee of which Mr Hazel (Chairman), Mr Klingberg and Mr Chrisp are members. The role of the Committee is to assist and advise the Board in relation to: the appointment of directors to the Board; the formulation of succession planning generally; and the formulation and review of remuneration policies.

The charter of the Remuneration and Nomination Committee and the process for selecting and appointing new Board members can be found in the corporate governance section on the Company website.

Details pertaining to the structure of executive and non-executive remuneration can be found in section 5 of the Directors' Report: the Remuneration Report.

Directors' Report (cont)

5. Remuneration Report - audited

5.1 Principles of compensation

The remuneration report provides details of the remuneration of the Company's directors and the senior executives identified as those who had authority for planning, directing and controlling the Company's activities during the reporting period (key management personnel).

Total remuneration packages for directors and executives of the Group are competitively set to attract and retain appropriately qualified and experienced people. The Remuneration and Nomination Committee assists the Board in setting remuneration strategy. Furthermore, the Board has had reference to *The Gold and General Mining Industry Remuneration Report* – No 55, April 2015 published by AON Hewitt in determining the appropriateness of the remuneration packages paid by the Company which takes account of trends in comparative companies and the objectives of the Company's remuneration strategy to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders.

Non-Executive Directors

Total compensation for all Non-Executive Directors, pursuant to the constitution must not exceed $500,000 per annum. Fees were set with reference to standard practice by comparator companies. In comparison to the prior reporting period the Non-Executive Directors' fees were reduced by a resolution of the Directors passed in March 2014.

For the year ended 30 June 2015, the Non-Executive Directors' compensation comprised Directors' base fees of $81,000 per annum (2014: $85,500 per annum) for the Chairman and $49,500 per annum (2014: $52,250 per annum) for the other Non-Executive Directors. In addition, $9,000 per annum (2014: $9,500 per annum) was paid for membership of the Audit and Risk Management Committee or for representation on the board of Eyre Iron Pty Ltd, with an additional $2,250 per annum (2014: $2,375 per annum) for the Chairman of the Audit and Risk Management Committee.

Superannuation is paid on behalf of the Non-Executive Directors at the rate of 9.5% per annum as is legislated. Where the Company engages a director as a consultant the value of superannuation benefits that would otherwise have been payable are paid as additional fees. For the year ended 30 June 2015 Messer's Klingberg, Poh and Chrisp had the value of superannuation benefits paid as additional consultancy fees.

Chief Executive Officer and Company Executives

Remuneration packages for the Chief Executive Officer and other Company executives include a mix of fixed and variable compensation, the variable compensation using short and long term incentives. The remuneration packages take into account market practice of comparable organisations within the industry and reflect capability, role and experience of each executive.

The fixed remuneration component (cash, superannuation and fringe benefits) was set by utilising industry surveys with particular reference to the practices of companies in the lowest quartile of the survey (i.e. those with a similar market capitalisation and with a similar sized workforce). Total remuneration (base salary packages and variable remuneration) provides the opportunity for executives to reach compensation levels in the next quartile as outlined within the industry surveys through the following variable awards:

- the Short Term Incentive ("STI") Plan, which awards a cash bonus of between 0% and 20% of base salary subject to individual and Company targets being met; and
- the Long Term Incentive ("LTI") Plan, under which the executive may be granted incentive rights, some of which vest after an extended period of continuous employment (Retention Rights), the others vesting after an assessment of performance (Performance Rights).

For the 2015 financial year there were no awards made under either the STI or LTI plans.

Mr Ben Hammond

Mr Hammond was appointed Chief Executive Officer on 1 July 2013. In accordance with the terms of his service agreement Mr Hammond's remuneration package for the 2014 financial year was $419,000. Following a review by the Remuneration and Nomination Committee Mr Hammond's remuneration package for the 2015 financial year was set at $428,218.

For the 2016 financial year Mr Hammond has volunteered a 10% reduction in his salary effective from 1 September 2015. Should the Company commence either a Definitive or Bankable Feasibility Study at a future date, Mr Hammond will revert to his previous salary level.

If Mr Hammond's employment is terminated without cause or due to a failure to provide the services required under the agreement, he will be entitled to 6 months written notice (or payment of salary in lieu of) and any accrued but not yet paid salary and leave entitlements. He will also be entitled to any right or entitlement accrued under an incentive scheme (provided all necessary approvals have been obtained in relation to that right or entitlement before cessation of employment).

Where Mr Hammond's employment is terminated with cause, such as due to a serious or persistent breach of the terms of the agreement or the failure to comply with the lawful directions of the Board, notice of termination will be effective immediately without payment of any amount or the provision of any benefit, other than salary and leave entitlements accrued to the date of termination and not yet paid.

Mr Hammond is also entitled to participate in the Company's short term and long term incentive schemes as outlined above.

Other Executives considered to be Key Management Personnel

In addition to the Non-Executive Directors and executives listed above, the following persons are considered to be key management personnel of the Group:

Mr Alastair Watts	General Manager Exploration
Mr Gavin Bosch	Chief Financial Officer
Mr Stephen Brown	General Manager Engineering, who ceased employment 12/9/2014

The experience of these persons has been listed in sections 1.2 and 2 of this Directors' Report.

Service Agreements

The Company has service contracts with each executive listed above. Each contract is for an unlimited term, but can be terminated by either party by giving up to three months written notice. The Company reserves the right to terminate the contract without notice in the event of misconduct or dishonesty.

Directors' Report (cont)

Remuneration of Key Management Personnel (KMP) (Consolidated)

Details of the nature and amount of each major element of remuneration of each of the KMP are:

			Short-term		
			Salary & fees	STI cash bonus	Non-monetary benefits
			$	$	$
Current Directors					
Mr D Klingberg AO	**Non-exec**	2015	98,550	-	-
		2014	96,233	-	-
Mr J Hazel	**Non-exec**	2015	60,750	-	-
		2014	64,125	-	-
Mr K Poh	**Non-exec**	2015	64,058	-	-
		2014	67,462	-	-
Mr G Chrisp	**Non-exec**	2015	54,202	-	-
		2014	57,083	-	-
Mr B Lu	**Non-exec**	2015	49,500	-	-
		2014	57,083	-	-
Former Directors					
Mr J den Dryver (1)	**Non-exec**	2015	24,375	-	-
		2014	61,750	-	-
Total compensation: Directors		2015	**351,435**	**-**	**-**
		2014	**403,736**	**-**	**-**

(1) Mr den Dryver retired as a Non-executive director on 18 November 2014.

	Super-annuation benefits	Share-based payments	Termination	Other long term benefits	Total	Performance related	Options / Rights related
	$	$	$	$	$	%	%
	-	-	-	-	98,550	-	-
	7,554	-	-	-	103,787	-	-
	5,771	-	-	-	66,521	-	-
	5,932	-	-	-	70,057	-	-
	-	-	-	-	64,058	-	-
	-	-	-	-	67,462	-	-
	-	-	-	-	54,202	-	-
	-	-	-	-	57,083	-	-
	4,703	-	-	-	54,203	-	-
	-	-	-	-	57,083	-	-
	2,316	-	-	-	26,691	-	-
	5,712	-	-	-	67,462	-	-
	12,790	**-**	**-**	**-**	**364,225**		
	19,198	**-**	**-**	**-**	**422,934**		

Directors' Report (cont)

Remuneration of Key Management Personnel (KMP) (Consolidated)

Details of the nature and amount of each major element of remuneration of each of the KMP are:

			Short-term		
			Salary & fees	STI cash bonus (2)	Non-monetary benefits
			$	$	$
Current Executives					
Mr B Hammond	**Chief Executive Officer**	2015	395,529	-	4,768
		2014	392,226	28,699	4,610
Mr A Watts	**GM Exploration**	2015	259,021	-	4,888
		2014	250,010	15,498	4,610
Mr G Bosch	**Chief Financial Officer**	2015	209,187	-	-
		2014	196,450	14,406	-
Former Executives					
Mr S Brown (5)	**GM Engineering**	2015	62,258	-	786
		2014	245,332	18,179	4,610
Total compensation: Executives		2015	**925,995**	**-**	**10,442**
		2014	**1,084,018**	**76,782**	**13,830**
Total compensation: Directors		2015	**351,435**	**-**	**-**
(see previous page)		2014	**403,736**	**-**	**-**
Total compensation: KMP		2015	**1,277,430**	**-**	**10,442**
		2014	**1,487,754**	**76,782**	**13,830**

(2) STI represents the amount of the STI or bonus that will be paid to the executive for 2015 performance.
(3) In accordance with the requirements of the Accounting Standards, remuneration includes a proportion of the value of the equity linked compensation determined as at the grant date and progressively expensed over the vesting period. The amount allocated as remuneration is not relative to or indicative of the actual benefit (if any) that the Senior Executives may ultimately realise should the equity instruments vest.
(4) Other long term benefits represents the movement in the Senior Executive's long service leave entitlements measured as the present value of the estimated future cash outflows to be made in respect of the Senior Executive's service between the respective reporting dates.
(5) Mr Stephen Brown ceased employment with the Company on 12 September 2014.

	Super-annuation benefits	Share-based payments [3]	Termination	Other long term benefits [4]	Total	Performance related	Options / Rights related
	$	$	$	$	$	%	%
	30,000	61,309	-	24,404	516,010	0.0	11.9
	25,000	86,645	-	7,467	544,647	5.3	15.9
	21,659	26,483	-	18,638	330,689	0.0	8.0
	24,726	49,444	-	9,037	353,325	4.4	14.0
	21,241	16,600	-	13,392	260,420	0.0	6.4
	19,416	34,641	-	7,533	272,446	5.3	12.7
	10,911	(33,960)	34,412	(13,954)	60,453	0.0	0.0
	24,713	52,132	-	8,032	352,998	5.1	14.8
	83,811	**70,432**	**34,412**	**42,480**	**1,167,572**		
	93,855	**222,862**	**-**	**32,069**	**1,523,416**		
	12,790	**-**	**-**	**-**	**364,225**		
	19,198	**-**	**-**	**-**	**422,934**		
	96,601	**70,432**	**34,412**	**42,480**	**1,531,797**		
	113,053	**222,862**	**-**	**32,069**	**1,946,350**		

Directors' Report (cont)

5. Remuneration Report – audited (continued)

Consequences of performance on shareholder wealth

The variable components of the Company's executives' remuneration (the short and long term incentives) seek to encourage alignment of management performance and shareholders' interests by linking remuneration to performance of the Company as a whole.

The award of any short term or long term incentive is always at the discretion of the Board which will also take into account the following indices when assessing performance, although the Board acknowledges that as an exploration company the use of such indices does not fully reflect Company performance.

	2015	2014	2013	2012	2011
Profit / (loss) attributable to owners of the company	(14,821,127)	(734,552)	$1,004,564	$673,476	$47,528,580
Dividends paid (per share)	-	$0.05	$0.05	-	-
Share price at 30 June	$0.08	$0.09	$0.13	$0.19	$0.32

Short Term Incentive – Cash Bonus

The STI Plan ordinarily involves the setting of key performance indicators which must be achieved to be awarded the short term incentive (cash bonus). These relate to overall Company performance, business unit performance and individual performance set by the Board and the Chief Executive Officer for the relevant period.

For the period ending 30 June 2015 the Company did not set any key performance indicators and accordingly no bonuses for performance for the same period have been accrued.

Director / Company Executive		Amount Accrued For Year Ended 30 June 2015		
		Awarded	Forfeited	Included in Remuneration
		%	%	$
Mr B Hammond	**Chief Executive Officer**	Nil	100	Nil
Mr A Watts	**General Manager Exploration**	Nil	100	Nil
Mr G Bosch	**Chief Financial Officer**	Nil	100	Nil

Long Term Incentive – Equity based

The Company's Long Term Incentive Plan is intended to reward efforts and results that promote long term growth in shareholder value. The key performance indicator which must be achieved for the vesting of Company executives' Performance Rights is the growth in the Company's share price.

The other component of the long term incentive plan is the grant of Retention Rights. Retention Rights vest on the completion of a period of service with the Company. The purpose of granting Retention Rights is to retain executives who over the time of their employment accumulate significant intellectual property of value to the Company, and to ensure the continuity of that knowledge and in turn promote a stable and efficient executive team.

No Performance Rights or Retention Rights have been issued by the Company since July 2013.

Rights

The Company did not issue any rights to directors or key management personnel during the year.

6. Principal Activity

The principal activity of the Group during the reporting year was exploration on the following areas:

- Iron ore exploration in conjunction with joint venture partners;
- Iron ore exploration over wholly owned tenements (particularly Kimba Gap and Wilgerup);
- Gold and base metals exploration in New South Wales; and
- Potash exploration over wholly owned tenements in Western Australia.

7. Operating and Financial Review

A review of the operations of the Group during the year and the results of those operations are as follows:

The net profit for the reporting year, after providing for income tax was:

	2015 $	2014 $
Net loss after income tax	(14,821,127)	(734,552)

The Group incurred expenditure of $5,821,586 (2014: $2,289,481) on mineral tenements during the year. Further details can be found in Note 8 to the financial statements.

Further information on the Group's operating activities can be found in the Operations Report.

8. Dividends

No dividends were declared during the year.

9. Events subsequent to year end

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Group, the results of those operations or the state of affairs of the Group, in future years.

Directors' Report (cont)

10. Likely Developments

The mineral tenements with an interest held by the Group and available for mineral exploration, have the following expenditure covenants to maintain exploration rights:

Tenement		Held by	Ownership	Covenant ($)	Period	Expiry
South Australia						
Northern Eyre Peninsula						
Bungalow/Minbrie EL4884	(a)	CXM(i)	70%	160,000	Annual	13 Aug 2015
Kimba Gap EL5170		SAIOG(ii)	100%	160,000	Annual	4 Nov 2017
Stony Hill EL5617		SAIOG(ii)	100%	180,000	Annual	14 Mar 2017
Southern Eyre Peninsula						
Wanilla EL5559	(b)	CXM(i)	40%	2,140,000 for the 24 month period ending 31 January 2017	Amalgamated expenditure agreement for the 24 month period ending 31 January 2017	15 Nov 2016
Wilgerup EL5641		CXM(i)	100%			18 Apr 2017
Greenpatch EL4885	(b)	CXM(i)	40%			13 Aug 2015
Dutton Bay EL4605	(b)	CXM(i)	40%			16 Nov 2015
Mount Hill EL5065	(b)	SAIOG(ii)	40%			5 Aug 2017
Carrow EL4998	(b)	SAIOG(ii)	40%			11 Apr 2016
New South Wales						
Goulburn EL7388		LM(iii)	100%	111,000	Annual	20 Aug 2015
Archer EL7503		LM(iii)	100%	46,000	Annual	6 Apr 2016
Woolgarlo EL8215		LM(iii)	100%	70,000	Annual	19 Dec 2016
Western Australia						
Oxley A E70/3777		CPPL(iv)	100%	36,000	Annual	29 Dec 2015
Oxley B E70/4004		CPPL(iv)	100%	30,000	Annual	1 Mar 2016
Oxley C E70/4318		CPPL(iv)	100%	46,500	Annual	13 May 2017
Oxley D E70/4319		CPPL(iv)	100%	30,000	Annual	13 May 2017
Oxley E E70/4320		CPPL(iv)	100%	20,000	Annual	13 May 2017
Oxley F E70/4378		CPPL(iv)	100%	20,000	Annual	13 Sep 2017
Oxley G E70/4729		CPPL(iv)	100%	58,000	Annual	9 Aug 2020

(i) Centrex Metals Limited ("CXM")
(ii) South Australian Iron Ore Group Pty Limited ("SAIOG")
(iii) Lachlan Metals Pty Ltd ("LM")
(iv) Centrex Potash Pty Ltd ("CPPL")
(a) Baotou Iron and Steel (Group) Limited acquired 30% of the iron ore rights to this tenement on 28 November 2011 following the third phased payment to the Bungalow joint venture account.
(b) Wuhan Iron and Steel (Group) Limited acquired 60% of the iron ore rights to these tenements on 7 July 2010 following financial close of the Eyre Peninsula joint venture agreement.

The covenants are subject to annual renegotiation and have not been provided for in the financial statements but rather disclosed as commitments in Note 20. It is noted that the amalgamated expenditure agreement for the Southern Eyre Peninsula has been met with qualifying expenditure as at the date of this report.

The Group proposes to continue exploration of its tenements during the coming year with the focus being the Oxley Potash Project in Western Australia.

Some of the mineral tenements listed above have expiry dates that precede the date of this report. Each of those tenements is in the process of being renewed by the relevant government department and the Group has no reason to expect that the renewal will not take place.

The Directors have assessed the status of all of the Group's tenements and believe all tenements have sufficient remaining mineral potential to warrant continued exploration. Tenement exploration will continue to be prioritised to maximise the benefit to be received from exploration.

Lincoln Minerals Limited has the right to explore for and exploit minerals other than iron ore on the above tenements held by Centrex Metals Limited in the Northern Eyre Peninsula and Southern Eyre Peninsula listed above.

11. Directors' Interests in Shares and Options

The relevant interest of each Director in the shares or options over such instruments issued by the Company and other related bodies corporate, as notified by the Directors to the Australian Stock Exchange in accordance with S205G(1) of the Corporations Act 2001, at the date of this report is as follows:

Name	Shares held	Options held	
		Number	Price/Expiry
Patna Properties Pty Ltd (a company associated with Mr David Klingberg AO)	1,742,810	-	-
Mr Kiat Poh	1,918,880	-	-
South Cove Ltd (a company associated with Mr Graham Chrisp)	80,876,005	-	-
SEL Holding Ltd (a company associated with Mr Graham Chrisp)	16,198,000	-	-
Lodge Ltd (a company associated with Mr Graham Chrisp)	4,366,667	-	-
Wugang Australian Resources Investment Pty Ltd (a company associated with Mr Bingqiang Lu).	40,399,599	-	-
Candlegrove Pty Ltd (a company associated with Mr Jim Hazel)	403,073	-	-

Other than transactions as detailed in Note 18 to the financial statements, no director has received or become entitled to receive, during or since the end of the reporting year, a benefit because of a contract made by the Group or a related body corporate with a director, a firm of which a director is a member or a Company in which a director has a substantial financial interest.

Directors' Report (cont)

12. Share Rights

Rights granted to Directors and executives of the Group

The Company did not grant any options and rights during or since the end of the year.

Unissued shares under rights

At the date of this report unissued ordinary shares of the Company under options or rights as detailed in Note 15 to the financial statements are:

Option / Right class	Expiry date	Exer-cise price	Unissued shares at 30 June 2015	No. cancelled since 30 June 2015	No. exercised since 30 June 2015	No. of unissued shares
2015 Perform. Rights	31 July 2015	$0.50	1,592,948	1,592,948	-	-
2015 Retention Rights	31 July 2015	$0.00	938,001	216,948	-	721,053
2016 Perform. Rights	31 July 2016	$0.20	1,000,000	-	-	1,000,000

Shares issued on exercise of options or vesting of rights

During or since the end of the financial year, 720,000 rights were converted to ordinary shares of the Company however there were no rights exercised during the period. The balance of unissued shares as a result of options and rights issued are as follows:

Timing	Amount paid on each share	No. of shares
No. of unissued shares at 30 June 2014		5,470,949
New rights issued during the 12 months ending 30 June 2015	-	-
Options / rights converted to shares during the period	-	(720,000)
Expired options / rights during the period	-	(2,087,790)
No. of unissued shares at 30 June 2015		**2,663,159**
New rights issued since 30 June 2015	-	-
Options / rights converted to shares since 30 June 2015	-	-
Expired options / rights since 30 June 2015	-	(942,106)
No. of unissued shares at report date		**1,721,053**

13. Indemnification and insurance of Directors and Officers

Directors' and Officers' Liability Insurance has been secured to insure the Directors, officers and senior executives of the Group to the extent permitted by the Corporations Act 2001. The officers of the Company and the Group covered by the insurance policy include any person acting in the course of duties for the Company or the Group who is or was a Director, secretary or senior executive. The contract of insurance prohibits the disclosure of the nature of the insurance covered and the amount of the premium.

The Company's constitution provides that the Company indemnifies every person who is or has been an officer of the Company for any liability (other than for legal costs) incurred by that person as an officer of the Company and any subsidiary of the Company. The Company has entered into deeds of access, insurance and indemnity with the current Directors of the Company. The agreements indemnify the Directors to the extent permitted by law against certain liabilities and legal costs incurred by the Directors; require the Company to maintain and pay Directors' and Officers' Liability Insurance in respect of the Director; and provide the Director with access to board papers and other documents.

14. Environmental Regulation and Performance

The Group is aware of its responsibility to impact as little as possible on the environment, and where there is any disturbance, to rehabilitate sites. During the period under review the majority of work carried out was on the Eyre Peninsula, South Australia and the Group followed procedures and pursued objectives in line with requirements published by DSD (formerly DMITRE) the relevant regulator. A significant work program was also conducted on the Group's New South Wales tenements. The Group followed procedures and pursued objectives in line with requirements published by the New South Wales Department of Primary Industry.

The requirements from both relevant government departments are quite detailed and encompass the impact on owners and land users, heritage, health and safety and proper restoration practices. The Group supports this approach and is confident that it properly monitors and adheres to these objectives, and any local conditions applicable. The Group and its partner companies have individuals with detailed job responsibilities in this area.

The Board is not aware of any significant environmental breaches during the period covered by this report.

15. Non-audit services

During the year KPMG, the Company's auditor, has performed certain other services in addition to their statutory duties.

The Board has considered the non-audit services provided during the year by the auditor and in accordance with written advice provided by resolution of the Audit and Risk Management Committee is satisfied that the provision of those non-audit services during the year by the auditor is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services were subject to the corporate governance procedures adopted by the Company and have been reviewed by the Audit and Risk Management Committee to ensure they do not impact the integrity and objectivity of the auditor; and
- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

Directors’ Report (cont)

Details of the amounts paid or accrued to the auditor of the Company, KPMG, and its related practices for audit and non-audit services provided during the year are set out below.

	2015 $	2014 $
Audit Services	62,500	62,500
Other services - taxation services	30,265	10,367
Auditor's of the company - KPMG	**92,765**	**72,867**

16. Lead Auditor’s Independence Declaration

The Lead auditor’s independence declaration is set out on page 39 and forms part of the Directors’ Report for the financial year ended 30 June 2015.

Signed in accordance with a Resolution of the Board of Directors:

Mr David Klingberg AO

Dated at Adelaide this 22nd day of September 2015.

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Centrex Metals Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2015 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Scott Fleming
Partner

Adelaide

22 September 2015

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year ended 30 June 2015

	Note	2015 $	2014 $
Other income	2	131,652	46,254
Office and administration expenses		(386,834)	(523,228)
Consultants and management expenses		(459,864)	(386,951)
Directors' fees		(343,185)	(403,736)
Employee benefit expenses	2	(1,073,676)	(1,555,598)
Depreciation expense	9	(87,950)	(149,872)
Impairment of land	9	(2,078,882)	-
Port feasibility expenses	2	-	(104,809)
Exploration expenditure written off	8	(16,036,478)	(38,378)
Other expenses		(370,869)	(74,402)
Results from operating activities		**(20,706,086)**	**(3,190,720)**
Finance income	2	1,098,805	1,730,556
Finance benefit		-	523,863
Net finance income		**1,098,805**	**2,254,419**
Loss before income tax		**(19,607,281)**	**(936,301)**
Income tax benefit	4	4,786,154	201,749
Loss for the period		**(14,821,127)**	**(734,552)**
Other comprehensive income		-	-
Total comprehensive income for the period		**(14,821,127)**	**(734,552)**
Loss attributable to:			
Owners of the Company		(14,821,127)	(734,552)
Loss for the period		**(14,821,127)**	**(734,552)**

Earnings per share for profit attributable to the ordinary equity holders of the company:		**Cents per share**	**Cents per share**
Basic earnings per share	5	(4.71)	(0.23)
Diluted earnings per share	5	(4.69)	(0.23)

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to the consolidated financial report.

Consolidated Statement of Changes in Equity

For the Year ended 30 June 2015

	Contributed equity $	Share Option reserve $	Profit reserve $	Retained earnings / (Accumulated Losses) $	Total $
Current Period					
Balance at 30 June 2014	41,330,328	2,294,264	1,004,564	9,359,334	53,988,490
Loss for the period	-	-	-	(14,821,127)	(14,821,127)
Other comprehensive income	-	-	-	-	-
Total Comprehensive Income for the Period	-	-	-	(14,821,127)	(14,821,127)
Contributions from/to equity owners					
Share-based payment transactions	-	51,638	-	-	51,638
Balance at 30 June 2015	**41,330,328**	**2,345,902**	**1,004,564**	**(5,461,793)**	**39,219,001**
Prior Period					
Balance at 30 June 2013	41,330,328	2,039,305	1,004,564	25,797,101	70,171,298
Loss for the period	-	-	-	(734,552)	(734,552)
Other comprehensive income	-	-	-	-	-
Total Comprehensive Income for the Period	-	-	-	(734,552)	(734,552)
Contributions from/to equity owners					
Dividends to equity holders	-	-	-	(15,703,215)	(15,703,215)
Share-based payment transactions	-	254,959	-	-	254,959
Balance at 30 June 2014	**41,330,328**	**2,294,264**	**1,004,564**	**9,359,334**	**53,988,490**

The consolidated statement of changes in equity is to be read in conjunction with the notes to the consolidated financial report.

Consolidated Statement of Financial Position

As at 30 June 2015

	Note	As at	
		30 June 2015 $	30 June 2014 $
Assets			
Cash and cash equivalents	6	8,585,743	3,170,196
Term deposits	6	19,587,926	32,600,107
Receivables and other assets	7	423,722	427,538
Total Current Assets		**28,597,391**	**36,197,841**
Exploration and evaluation expenditure	8	7,775,882	17,990,774
Land and buildings	9	3,480,997	5,596,947
Plant and equipment	9	46,072	94,883
Total Non-Current Assets		**11,302,951**	**23,682,604**
Total assets		**39,900,342**	**59,880,445**
Liabilities			
Trade and other payables	10	261,962	664,151
Employee benefits	11	158,823	89,142
Current income tax liabilities		-	71,909
Total Current Liabilities		**420,785**	**825,202**
Deferred income tax liabilities	4	-	4,852,128
Employee benefits	11	260,556	214,625
Total Non-Current Liabilities		**260,556**	**5,066,753**
Total Liabilities		**681,341**	**5,891,955**
Net assets		**39,219,001**	**53,988,490**
Equity			
Contributed equity		41,330,328	41,330,328
Share options reserve		2,345,902	2,294,264
Profit reserve		1,004,564	1,004,564
Retained earnings / (Accumulated losses)		(5,461,793)	9,359,334
Total equity		**39,219,001**	**53,988,490**

The consolidated statement of financial position is to be read in conjunction with the notes to the consolidated financial report.

Consolidated Statement of Cash Flows

For the Year ended 30 June 2015

	Note	2015 $	2014 $
Cash flows from operating activities			
Lease income received		68,544	35,266
Payments to suppliers and employees		(2,873,080)	(2,617,995)
Income taxes (paid) / refund received		(137,883)	258,106
Net cash from operating activities	21(b)	**(2,942,419)**	**(2,324,623)**
Cash flows from investing activities			
Expenditure on mining tenements		(5,894,159)	(2,151,287)
Expenditure on mining tenements - joint ventures		(10,853)	(543,983)
Receipts from joint venture partners		44,894	455,925
Stamp duty refund		-	5,923,273
Interest received		1,194,339	4,234,604
Acquisition of plant and equipment	9	(2,072)	(40,638)
Proceeds on disposal of plant and equipment		13,636	200
Net cash from investing activities		**(4,654,215)**	**7,878,094**
Cash flows from financing activities			
Dividends paid		-	(15,703,215)
Net cash from financing activities		**-**	**(15,703,215)**
Net decrease in cash before term deposits		**(7,596,634)**	**(10,149,744)**
Cash transferred (to) / from term deposits	(i)	13,012,181	3,314,108
Net increase / (decrease) in cash		**5,415,547**	**(6,835,636)**
Cash at the beginning of the year		**3,170,196**	**10,005,832**
Cash at the end of the year		**8,585,743**	**3,170,196**

(i) The average term of all term deposits above 90 days is 146 days (2014: 168 days).

The consolidated statement of cash flows is to be read in conjunction with the notes to the consolidated financial report.

Notes to the Consolidated Financial Statements

For the Year ended 30 June 2015

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Centrex Metals Limited (the 'Company') is a company domiciled in Australia. The registered office is Level 11, 147 Pirie Street Adelaide, SA 5000. The consolidated financial report of the Company for the financial year ended 30 June 2015 comprises the Company and its subsidiaries (together referred to as the 'Group'). The Group is a for profit entity and is primarily involved in minerals exploration in Australia.

The financial report was authorised for issue by the directors on 22 September 2015.

a) Statement of Compliance

The financial report is a general purpose financial report, which has been prepared in accordance with Australian Accounting Standards ('AASBs') (including Australian Interpretations) adopted by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001. The consolidated financial statements of the Group complies with International Financial Reporting Standards ('IFRSs') and interpretations adopted by the International Accounting Standards Board ('IASB').

b) Basis of Measurement and Presentation

The financial report is presented in Australian dollars, which is the Group's functional currency.

It has been prepared on the basis of historical cost and, except where stated, does not take into account changing money values or current valuations of non-current assets.

c) Accounting estimates and judgements

The Group's estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimates and assumptions

Exploration, evaluation and development assets – Note 1(j)

Determining the recoverability of exploration, evaluation and development expenditure capitalised in accordance with the Group's accounting policy (refer Note 1(j)), requires estimates and assumptions as to future events and circumstances in particular, whether successful development and commercial exploitation, or alternatively sale, of the respective areas of interest will be achieved. Critical to this assessment is estimates and assumptions as to ore reserves, the timing of expected cash flows, exchange rates, commodity prices and future capital requirements. Changes in these estimates and assumptions as new information about the presence or recoverability of an ore reserve becomes available, may impact the assessment of the recoverable amount of exploration, evaluation and development assets. If, after having capitalised the expenditure under policy 1(j), a judgement is made that recovery of the expenditure is unlikely, an impairment loss is recorded in accordance with accounting policy 1(o).

d) Principles of Consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The consolidated financial statements of the Group include the financial statements of the Company, being the parent entity, and its wholly owned subsidiaries, from the date that control commences until the date control ceases:

- DSO Development Pty Ltd
- Flinders Pastoral Pty Ltd
- Lachlan Metals Pty Ltd
- Kimba Gap Iron Project Pty Ltd
- Port Eyre Holdings Pty Ltd
- South Australia Iron Ore Group Pty Ltd
- Sturt Pastoral Pty Ltd
- Centrex Potash Pty Ltd

In addition, the company holds a 50% interest in Port Spencer Pty Ltd which manages the port joint arrangement.

e) Joint Arrangements

Joint arrangements are those entities over whose activities the consolidated entity has joint control, established by contractual agreement.

Jointly controlled operations and assets

The interest of the consolidated entity in jointly controlled operations and jointly controlled assets are brought to account by recognising in its financial statements the assets it controls and the liabilities that it incurs, and the expenses it incurs and its share of income that it earns from the sale of goods or services produced by the joint arrangement. To the extent that the Company is being "free-carried" in the jointly controlled assets it will not reflect a share of such expenditure.

The balances and effects of transactions between controlled entities included in the consolidated financial statements have been eliminated.

f) Revenue Recognition

Revenue and expenses are brought to account on an accrual basis.

Interest income

Interest income is recognised as it accrues and is included in finance income.

Lease income

The Group receives lease income from the properties which it has purchased. The properties were purchased for the purpose of evaluating the potential recoverability of resources. This income is recognised as it accrues.

Gain or loss on disposal of interest in mineral tenements

The Group recognises a gain or loss on disposal of interest in mineral tenements as the difference between the carrying amount of the asset at the time of the disposal and the proceeds of disposal, less any direct costs. This income is recognised when the risks and rewards of ownership have passed to the buyer.

g) Government Grants

Grants that compensate the Group for exploration and evaluation expenditure incurred are offset against the exploration and evaluation capitalised asset in the same period in which the capitalised expenditure is recognised.

h) Cash and Cash Equivalents and term deposits

(i) Cash and cash equivalents comprise cash balances and call deposits which can be readily accessed and have maturities of 90 days or less.

(ii) Term deposits comprise cash deposits with maturities of more than 90 days.

i) Income Tax

Income tax expense comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Determination of future taxable profits requires estimates and assumptions as to future events and circumstances, in particular, whether successful development and commercial exploitation, or alternatively sale, of the respective area of interest will be achieved. This includes estimates and judgements about commodity prices, ore reserves, exchange rates, future capital requirements, future operational performance and the timing of estimated cash flows. Changes in these estimates and assumptions could impact on the amount and probability of estimated taxable profits and accordingly the recoverability of deferred tax assets.

The company and its wholly owned Australian resident subsidiaries commenced being a tax consolidation group on 27 January 2005 and are therefore taxed as a single entity. The head entity within the tax consolidation group is Centrex Metals Limited.

Notes to the Consolidated Financial Statements (cont)

j) Exploration, Evaluation and Development Expenditure

Exploration for and evaluation of mineral resources is the search for mineral resources after the entity has obtained legal rights to explore in a specific area, as well as the determination of the technical feasibility and commercial viability of extracting the mineral resource. Accordingly, exploration and evaluation expenditures are those expenditures incurred by the Group in connection with the exploration for and evaluation of mineral resources before the technical feasibility and commercial viability of extracting mineral resources are demonstrable.

Costs associated with exploration, evaluation and development expenditure will be accumulated in respect of each separate 'area of interest'. An 'area of interest' is an individual geological area which is considered to constitute a favourable environment for the presence of a mineral deposit or has been proved to contain such a deposit.

Expenditure incurred on activities that precede exploration and evaluation of mineral resources, including all expenditure incurred prior to securing legal rights to explore an area, is expensed as incurred. For each area of interest the expenditure is recognised as an exploration and evaluation asset where the following conditions are satisfied:

(a) The rights to tenure of the area are current; and

(b) At least one of the following conditions is also met:

i. The expenditure is expected to be recouped through successful development and commercial exploitation of an area of interest, or alternatively by its sale; or

ii. Exploration and evaluation activities in the area of interest have not, at reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of 'economically recoverable reserves' and active and significant operations in, or in relation to, the area of interest are continuing. Economically recoverable reserves are the estimated quantity of product in an area of interest that can be expected to be profitably extracted, processed and sold under current and foreseeable conditions.

Exploration and evaluation assets include:

- Acquisition of rights to explore;
- Topographical, geological, geochemical and geophysical studies;
- Exploratory drilling, trenching, and sampling; and
- Activities in relation to evaluating the technical feasibility and commercial viability of extracting the mineral resource.

General and administrative costs are allocated to, and included in, the cost of exploration and evaluation assets only to the extent that those costs can be related directly to the operational activities in the area of interest to which the exploration and evaluation assets relate. In all other instances, these costs are expensed as incurred.

Exploration and evaluation assets are classified as tangible or intangible according to the nature of the assets. Assets that are classified as tangible include: piping and pumps; and, vehicles and drilling equipment. Assets that are intangible include: acquired rights to explore and exploratory drilling costs.

Exploration and evaluation assets are transferred to Development Assets once technical feasibility and commercial viability of an area of interest is demonstrable. Exploration and evaluation assets are assessed for impairment, and any impairment loss is recognised, prior to being reclassified.

Exploration and evaluation assets are assessed for impairment annually if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount (see impairment accounting policy (o)). For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. The cash generating unit shall not be larger than the area of interest.

k) Provisions

A provision is recognised in the consolidated statement of financial position when the Group has a present legal or constructive obligation that can be measured reliably as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

l) Provision for Restoration and Rehabilitation

No provision has been made in the accounts for restoration and rehabilitation of areas from which natural resources are extracted on the basis that no significant disturbance in relation to the Group's exploration activities has occurred. This policy is subject to annual review.

m) Property, Plant and Equipment

Property, plant and equipment is brought to account at cost, less where applicable any accumulated depreciation and impairment losses. The carrying amount of property, plant and equipment is reviewed annually by the Directors to ensure it is not in excess of the recoverable amount of those assets (refer Note 1(o)).

The gain or loss on disposal of fixed assets is determined as the difference between the carrying amount of the asset at the time of disposal and the proceeds of disposal, and is included in operating profit before income tax in the year of disposal.

The depreciable amount of all fixed assets is depreciated over their useful lives commencing from the date the assets are held ready for use.

n) Depreciation

With the exception of exploration, evaluation and development assets, depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each part of an item of plant and equipment. Following the re-classification of Exploration and evaluation assets as development assets, they are depreciated on a unit of production basis over the life of the economically recoverable reserves, once production commences.

Land is not depreciated.

The estimated useful lives of plant and equipment in the current and comparative periods are as follows:

Motor vehicles	3-5 years
Fixtures and fittings	3-5 years
Other plant and equipment	3-5 years
Buildings	50 years

o) Impairment

The carrying amounts of the Group's non-financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are charged to profit or loss, unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through profit or loss.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units (group of units) and then, to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of other assets is the greater of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

p) Leased Assets

Leases of plant and equipment are classified as operating leases where the lessor retains substantially all the risks and benefits of ownership. Minimum lease payments are charged to profit or loss on a straight line basis over the lease terms except where an alternative basis would be more representative of the pattern of benefit to be derived for the leased asset.

q) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to the ATO, is included as a current asset or liability in the consolidated statement of financial position.

Cash flows are presented in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which are recoverable or payable to the ATO, are disclosed as operating cash flows.

Notes to the Consolidated Financial Statements (cont)

r) Payables

Liabilities are recognised for amounts to be paid in the future for goods or services received. Trade accounts payable are normally settled within 60 days.

s) Interest Bearing Liabilities

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

t) Share capital

Transaction costs of an equity transaction are accounted for as a deduction from equity, net of any related income tax benefit.

u) Employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Long-term service benefits

The Group's net obligation in respect of long-term service benefits, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates, and is discounted using the rates attached to the corporate bonds at the balance sheet date which have maturity dates approximating to the terms of the Group's obligations. Remeasurements are recognised in profit or loss in the period in which they arise.

Defined contribution superannuation funds

Obligations for contributions to defined contribution superannuation funds are recognised as an expense in the profit or loss as incurred.

Wages, salaries, annual leave and non-monetary benefits

Liabilities for employee benefits for wages, salaries, and annual leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay as at the reporting date including related on-costs, such as workers compensation insurance and payroll tax. Non-accumulating non-monetary benefits, such as housing and cars, are expensed based on the net marginal cost to the Group as the benefits are taken by the employees.

Termination benefits

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic probability of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

v) Share and option compensation

Where shares or share options are issued to employees or directors as remuneration for past services, the fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options. Unless otherwise stated, the fair value of the options granted is measured using an option-pricing model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest except for those that fail to vest due to market conditions or non vesting conditions not being met.

The fair value of the employee share options and rights is measured using the Black-Scholes formula. Measurement inputs include the share price on measurement date, the exercise price of the instrument, expected volatility based on the Company's historic volatility, particularly over the period commensurate with the expected term and the risk free interest rate. Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

w) Segmental reporting

The Group determines and presents operating segments based on the information that internally is provided to the Chief Executive Officer, who is the Group's chief operating decision maker.

The Chief Executive Officer receives information internally based on the geographical location of the

Group's assets. It has been determined that as all of the assets are in one country (Australia) and operations relate predominantly to mining exploration, it is appropriate to have one operating segment.

x) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shares of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise any convertible notes, share options, and rights granted to employees.

y) Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in profit or loss when incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is only capitalised if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use. Borrowing costs related to the development of qualifying assets are recognised in profit or loss as incurred. Other development expenditure is recognised in profit or loss as incurred.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

z) New standards and interpretations

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period.

The adoption of these new and revised Australian Accounting Standards and Interpretations has had no significant impact on the Group's accounting policies or the amounts reported during the financial year.

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the Group. Management anticipates that all of the relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Group's financial statements is provided below.

Year ended 30 June 2017: Amendments to AASB 116 and AASB 138, Clarification of acceptable methods of depreciation and amortisation

This standard will clarify that revenue based methods to calculate depreciation and amortisation are not considered appropriate. The Group does not use any revenue based methods for depreciation or amortisation and as such no impact of the change is anticipated.

Year ended 30 June 2018: AASB 15: Revenue from Contracts with Customers

This standard will change the timing and in some cases the quantum of revenue recognised from customers. AASB 15 requires an entity to recognise revenue by identifying for each customer contract, the performance obligations in the contract and the transaction price. The transaction price is then allocated against the performance obligations in the contract with revenue recognised when (or as) the entity satisfies each performance obligation. Management is currently assessing the impact of the new standard but it is not expected to have a material impact on the financial performance of the Group.

Year ended 30 June 2019: AASB9: Financial instruments

AASB 9, approved in December 2014, replaces the existing guidance in *AASB 139 Financial Instruments: Recognition and Measurement*. AASB 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from AASB 139. AASB 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted. The Group is assessing the potential impact on its consolidated financial statements resulting from the application of AASB 9.

Notes to the Consolidated Financial Statements (cont)

2. PROFIT FROM CONTINUING OPERATIONS

	2015 $	2014 $
Finance Income and Costs		
Interest income on bank accounts	1,057,862	1,615,134
Interest income on restricted cash	40,943	115,422
	1,098,805	**1,730,556**
Other income		
Lease income	118,016	46,054
Gain on asset sales	13,636	200
	131,652	**46,254**
Employee Benefit Expenses		
Wages and salaries (i)	655,415	846,941
Contributions to defined contribution superannuation funds	139,362	175,710
Employee liability movements	31,008	35,386
Equity settled share based payment transactions	51,638	254,959
Other employee costs	196,253	242,602
	1,073,676	**1,555,598**

(i) In addition, wages and salaries of $728,574 (2014: $543,653) are capitalised into exploration and evaluation expenditure (Note 8); wages and salaries of $3,704 (2014: $426,445) are on-charged to joint venture arrangements for work undertaken in those joint arrangements; and, wages and salaries of $ nil (2014: $6,200) were incurred undertaking work on the Port Spencer Feasibility study.

Port Feasibility Expenses		
Preliminary study costs associated with Port Spencer port site (i)	-	104,809
	-	**104,809**

(i) The Port Spencer Joint Venture (50:50) was signed by Centrex and Wugang Australia Resources Investment Pty Ltd on 9 March 2012. As of 27 March 2015 all of the conditions precedent had been met and funding for the project is now awaiting the completion of an audit by Wugang Australia Resources Investment Pty Ltd of the initial expenditure incurred by Centrex.

3. AUDITOR'S REMUNERATION

	2015 $	2014 $
Audit Services	62,500	62,500
Other services - taxation services	30,265	10,367
Auditor's of the company - KPMG	**92,765**	**72,867**

4. TAXATION

The consolidated entity is not recognising a deferred tax liability or a deferred tax asset in 2015 (2014: a deferred tax liability of $4,852,128). Details of the current and deferred income tax expense is shown below:

	2015 $	2014 $
Current income tax expense		
Current period	65,974	526,893
Losses utilised	-	(454,984)
	65,974	**71,909**
Deferred tax assets		
Origination and reversal of temporary differences	(4,852,128)	(273,658)
	(4,852,128)	**(273,658)**
Total income tax benefit	**(4,786,154)**	**(201,749)**
Deferred Tax assets		
Property, plant and equipment	(722,737)	(101,589)
Provisions and accrued expenses	(316,856)	(529,255)
Deferred Tax liabilities		
Exploration and evaluation assets	1,553,869	5,404,432
Interest receivable	43,239	78,540
Net tax liabilities	**557,515**	**4,852,128**
Tax losses recognised	(557,515)	-
Deferred tax liability	**-**	**4,852,128**
Reconciliation of effective tax rate		
Loss for the year	(14,821,127)	(734,552)
Total income tax benefit	(4,786,154)	(201,749)
Loss excluding income tax	**(19,607,281)**	**(936,301)**
Prima facie income tax calculated at 30% (2014: 30%)	(5,882,184)	(280,890)
Non-deductible expenses	18,172	79,141
Tax losses not recognised	1,077,858	-
Total income tax benefit	**(4,786,154)**	**(201,749)**

Notes to the Consolidated Financial Statements (cont)

5. EARNINGS PER SHARE

Basic earnings per share

The calculation of basic earnings per share at 30 June 2015 was based on the loss attributable to ordinary shareholders of $14,821,127 (2014: loss of $734,552) and a weighted average number of ordinary shares outstanding during the financial year ended 30 June 2015 of 314,750,770 (2014: 313,960,198).

	2015 $	2014 $
Loss attributable to ordinary shareholders		
Loss for the period	(14,821,127)	(734,552)
Loss attributable to ordinary shareholders	**(14,821,127)**	**(734,552)**
Weighted average number of ordinary shares		
Issued ordinary shares at beginning of year	314,064,304	313,600,904
Effect of shares issued in the first quarter (to 30 September)	686,466	359,294
Effect of shares issued in the second quarter (to 31 December)	-	-
Effect of shares issued in the third quarter (to 31 March)	-	-
Effect of shares issued in the fourth quarter (to 30 June)	-	-
Weighted average number of ordinary shares at year end	**314,750,770**	**313,960,198**
Earnings per share for continuing and discontinued operations		
Basic earnings – cents per share	(4.71)	(0.23)
Diluted earnings – cents per share	(4.69)	(0.23)

Options on issue are considered to be potential shares and are therefore excluded from the weighted average number of ordinary shares used in the calculation of basic earnings per share. Where dilutive, potential ordinary shares are included in the calculation of dilutive earnings per share. For the year ended 30 June 2015 the weighted average number of ordinary shares outstanding during the financial year after adjustment for the effects of all dilutive potential ordinary shares was 315,843,862 (2014: 315,029,258).

6. CASH AND CASH EQUIVALENTS AND TERM DEPOSITS

	2015 $	2014 $
Cash and cash equivalents	7,127,307	760,665
Restricted cash held in joint arrangements	1,458,436	2,409,531
	8,585,743	**3,170,196**

The Company also has term deposits of $19,587,926 as at 30 June 2015 (2014: $32,600,107).

7. RECEIVABLES AND OTHER ASSETS

		2015 $	2014 $
Current			
Eyre Iron joint arrangement	(i)	-	33,790
Port Spencer joint arrangement	(ii)	61,913	251
Bungalow joint arrangement	(iii)	4,299	-
Prepayments and other receivables		201,473	116,782
Interest due on term deposits		144,130	239,663
GST Receivable		11,907	37,052
		423,722	**427,538**

(i) The Company has a 40% interest in the Eyre Iron Joint Venture. The balance owed by the joint arrangement relates principally to wages and salaries of Company employees that have been seconded to the Joint Venture.

(ii) The Company has a 50% interest in the Port Spencer Joint Venture. The balance owed by the Joint Venture relates principally to land lease rent for land owned 100% by the Company.

(iii) The Company has a 70% interest in the Bungalow Joint Venture. The balance owed by the joint arrangement relates principally to wages and salaries of Company employees that have been seconded to the Joint Venture.

Notes to the Consolidated Financial Statements (cont)

8. EXPLORATION AND EVALUATION EXPENDITURE

		Cumulative Expenditure to 30 Jun 14	Expenditure 12 months to 30 Jun 15	Tenements relinquished to 30 Jun 15	Tenements impaired to 30 Jun 15	Cumulative Expenditure to 30 Jun 15
		$	$	$	$	$
Centrex Metals Limited						
Greenpatch EL4885	W	113,380	5,886	-	(119,266)	-
Cockabidnie EL4883		65,266	8,650	(73,916)	-	-
Bungalow/Minbrie EL4884	B	692,636	-	-	(692,636)	-
Wilgerup EL5641		12,069,139	328,217	-	(12,397,356)	-
Wanilla EL5559	W	47,881	9,984	-	(57,865)	-
Dutton Bay EL4605	W	44,351	5,745	-	(50,096)	-
Gilles Downs EL4571		143,512	8,445	(151,957)	-	-
Cockabidnie North EL4539		90,859	5,500	-	(96,359)	-
		13,267,024	**372,427**	**(225,873)**	**(13,413,578)**	**-**
South Australian Iron Ore Group Pty Ltd						
Mount Hill EL5065	W	171,039	693,984	-	(865,023)	-
Carrow EL4998	W	205,856	183,660	-	(389,516)	-
Kimba Gap EL5170		2,484,328	503,007	-	-	2,987,335
Ironstone Hill EL5245		150,187	7,227	(157,414)	-	-
Ironstone Hut EL5335		139,202	7,130	(146,332)	-	-
Stony Hill EL5617		446,824	8,789	-	(455,613)	-
		3,597,436	**1,403,797**	**(303,746)**	**(1,710,152)**	**2,987,335**
Lachlan Metals Pty Ltd						
Goulburn (NSW) EL7388		678,708	703,372	-	-	1,382,080
Archer (NSW) EL7503		183,446	4,285	-	-	187,731
Gundaroo (NSW) EL8133		195,730	187,399	(383,129)	-	-
Woolgarlo (NSW) EL8215		68,430	240,922	-	-	309,352
		1,126,314	**1,135,978**	**(383,129)**	**-**	**1,879,163**
Centrex Potash Pty Ltd						
Oxley A E70/3777		-	483,502	-	-	483,502
Oxley B E70/4004		-	483,502	-	-	483,502
Oxley C E70/4318		-	483,502	-	-	483,502
Oxley D E70/4319		-	483,502	-	-	483,502
Oxley E E70/4320		-	483,502	-	-	483,502
Oxley F E70/4378		-	483,502	-	-	483,502
Oxley G E70/4729		-	8,372	-	-	8,372
		-	**2,909,384**	**-**	**-**	**2,909,384**
Total		**17,990,774**	**5,821,586**	**(912,748)**	**(15,123,730)**	**7,775,882**

(B) Baotou Iron & Steel Group Company Limited ('Baotou') has earned a 30% interest in the iron ore rights of the Bungalow tenement (EL 4884) as a consequence of remitting $24 million into the joint venture bank account in three staged payments.

(W) WISCO has acquired a 60% interest in the iron ore rights to the 5 tenements identified above as a consequence of the execution of all documents included in the Eyre Iron Joint Venture ('Eyre Iron JV') which covers the same tenements.

Tenements

The exploration and evaluation expenditure assets comprise of exploration expenditure incurred since acquiring the exploration licenses. The expenditure is capitalised on a tenement by tenement ("area of interest") basis.

The recoverability of the carrying amounts of exploration and evaluation assets is dependent on the successful development and commercial exploitation or sale of the respective area of interest. In light of the significant deterioration of the iron ore spot price during the first half of the calendar year the Company has chosen to relinquish and impair the majority of its iron ore related tenements.

The Kimba Gap EL5170 tenement has not been impaired on account of the continued work being conducted on the tenement. A memorandum of understanding was signed with Baotou in April 2015 to conduct testwork on ore from the project and a Mineral Claim was granted over the licence area in May 2015. A technical feasibility study has not yet been completed on the project and the commercial viability of the project is not yet known.

A summary of the total exploration expenditure written off is shown below:

	2015 $	2014 $
Tenements relinquished	912,748	38,378
Tenements impaired	15,123,730	-
Exploration expenditure written off	**16,036,478**	**38,378**

Farm-out arrangements

During the previous financial period the Company ceased being "free-carried" in the Eyre Iron JV and accordingly is recognising its share of the jointly controlled assets, liabilities and expenses. The other joint arrangement remains in the "free-carry" stage and accordingly to the extent that the Company is being "free-carried" in the joint controlled assets it will not reflect a share of such expenditure.

In addition to the exploration "farm-in" joint arrangements detailed above, the Company signed a joint agreement for the Port Spencer port development on 9 March 2012.

Notes to the Consolidated Financial Statements (cont)

9. PROPERTY, PLANT AND EQUIPMENT

		2015 $	2014 $
Land and buildings			
Balance at beginning of year		5,596,947	5,606,377
Additions		-	24,728
Depreciation charge for the year		(37,068)	(34,158)
Impairment of Wilgerup land	(i)	(2,078,882)	-
Balance at end of year		**3,480,997**	**5,596,947**
Plant and Equipment - Cost			
Balance at beginning of year		933,246	923,536
Additions		2,071	15,910
Disposals		(45,096)	(6,200)
Balance at end of year		**890,221**	**933,246**
Plant and Equipment - Depreciation			
Balance at beginning of year		838,363	728,849
Charge for the year		50,882	115,714
Disposals		(45,096)	(6,200)
Balance at end of year		**844,149**	**838,363**
Plant and Equipment - Net book value			
Balance at beginning of year		94,883	194,688
Additions/(Disposals)		2,071	15,909
Depreciation charge for the year		(50,882)	(115,714)
Balance at end of year		**46,072**	**94,883**

(i) As a result of the impairment associated with the Wilgerup exploration tenement (refer to Note 8: Exploration and Evaluation Expenditure) the carrying value of the Wilgerup land has been impaired to its estimated recoverable amount.

10. TRADE AND OTHER PAYABLES

	2015 $	2014 $
Current liabilities		
Trade payables	62,452	313,484
Other trade payables and accruals	199,510	350,667
	261,962	**664,151**

No interest is payable on trade payables.

11. EMPLOYEE BENEFITS

	2015 $	2014 $
Current liabilities		
Annual leave provision	158,823	89,142
	158,823	**89,142**

Non-current liabilities		
Long service leave provision	260,556	214,625
	260,556	**214,625**

12. FINANCIAL GUARANTEES

During 2015 only one financial guarantee existed being $28,000 for the lease of the Adelaide office (2014: $28,000).

13. INTEREST BEARING LOANS AND BORROWINGS

There are no interest bearing loans or borrowings at 30 June 2015 or 30 June 2014.

14. CAPITAL AND RESERVES

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholder meetings. In the event of winding up of the Company, ordinary shareholders rank after creditors and are fully entitled to any proceeds of liquidation.

The Company does not have authorised capital or par value in respect of its issued shares.

Issued ordinary shares

	2015	2014
Issued ordinary shares at the beginning of the period	314,064,304	313,600,904
Ordinary shares issued during the period	720,000	463,400
Issued ordinary shares at the end of the period	**314,784,304**	**314,064,304**

Dividends paid

	2015 $	2014 $
Date of payment	Not applicable	21 Feb 2014
Cents per share	-	$0.05
Franking percentage	-	100%
Total amount paid	**-**	**15,703,215**

After 30 June 2015, no dividends were proposed by the directors.

Notes to the Consolidated Financial Statements (cont)

Dividend Franking Account

	2015 $	2014 $
Amount of franking credits available to shareholders of the Company for subsequent financial years	416,157	278,274

15. OPTIONS AND RIGHTS

Options

At 30 June 2015 there are no options on issue or outstanding. For 30 June 2014 the following options were outstanding:

	2014
	2014 Exec Plan Options
Expiry date	30/6/2014
Exercise price	$0.42
Options on issue at start of year	750,000
Options cancelled (on expiry)	(750,000)
Options on issue at end of year	**-**

Rights

At 30 June 2015, there are the following share rights outstanding:

	As at 30 June 2015				
	2016 Performance Rights	2015 Retention Rights	2015 Performance Rights	2014 Retention Rights	2014 Performance Rights
Expiry date	31/07/2016	31/07/2015	31/07/2015	31/07/2014	31/07/2014
Vesting date	1/07/2016	1/07/2015	1/07/2015	1/07/2014	1/07/2014
Share Price Required to Vest:	$0.20	$0.00	$0.50	$0.00	$0.75 - $1.00
Rights on issue at start of year	1,000,000	938,001	1,592,948	720,000	1,220,000
Rights exercised during the year	-	-	-	(720,000)	-
Rights cancelled (on expiry)	-	(216,948)	(650,842)	-	1,220,000
Rights on issue at end of year	**1,000,000**	**721,053**	**942,106**	**-**	**-**

At 30 June 2014, there are the following share rights outstanding:

	As at 30 June 2014				
	2016 Performance Rights	2015 Retention Rights	2015 Performance Rights	2014 Retention Rights	2014 Performance Rights
Expiry date	31/07/2016	31/07/2015	31/07/2015	31/07/2014	31/07/2014
Vesting date	1/07/2016	1/07/2015	1/07/2015	1/07/2014	1/07/2014
Share Price Required to Vest:	$0.20	$0.00	$0.50	$0.00	$0.75 - $1.00
Rights on issue at start of year	-	938,001	1,592,948	1,263,400	1,300,000
Rights issued Centrex staff	1,000,000	-	-	-	-
Rights exercised during the year	-	-	-	(463,400)	-
Rights cancelled (on expiry)	-	-	-	(80,000)	(80,000)
Rights on issue at end of year	**1,000,000**	**938,001**	**1,592,948**	**720,000**	**1,220,000**

The fair value of the performance rights granted has been determined using the Black-Scholes option pricing model with the following variables (weighted average):

	2015		2014	
	Key management personnel	Senior staff	Key management personnel	Senior staff
Fair value at grant date (cents)	Not applicable		9.3	-
Share price (cents)			13.0	-
Exercise price (cents)			20.0	-
Expected volatility			89.3%	-
Option life (years)			3.1	-
Risk free interest rate			2.8%	-

16 FINANCIAL INSTRUMENTS AND RISK EXPOSURES

(a) Financial risk management objectives

The Group does not enter into or trade financial instruments, for speculative purposes. As at 30 June 2015 the Group has no exposure to exchange rate risk and has no derivative exposures to commodity prices.

(b) Interest rate risk exposure

The Group has exposure to future interest rates on investments in fixed and variable-rate deposits. As at 30 June 2015 the Group had $19,587,926 invested in such deposits (2014: $32,600,107). The Group does not use derivatives to mitigate these exposures.

Sensitivity Analysis

The Group does not account for any financial assets and liabilities at fair value through profit and loss and does not use interest rate derivatives. For the year ending 30 June 2015, a 1 percent increase in the effective interest rate would have resulted in an increase in profit of $325,489 (2014: $411,633).

(c) Credit risk exposures

The Group has no significant concentrations of credit risk. As at 30 June 2015 the Group was owed $423,722 (2014: $427,538).

Notes to the Consolidated Financial Statements (cont)

The Group does not have significant credit exposure to outstanding receivables or investments due to the present nature of its operations. There have been no historical impairment losses.

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less.

(d) Capital management

The Board seeks to maintain a strong capital base sufficient to maintain the future development of the Group's business. The Board closely monitors the Group's level of capital so as to ensure it is appropriate for the Group's planned level of activities. There were no changes to the Group's approach to capital management during the year. Neither the Company nor its wholly owned subsidiaries are exposed to any externally imposed capital requirements.

(e) Liquidity Risk Management

The Group manages liquidity risk by maintaining adequate cash reserves and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The following are both the expected payments and contractual maturities, including estimated interest payments:

	2015 $	2014 $
Carrying amount – trade and other payables	261,962	664,151
Contractual cash flows	(261,962)	(664,151)
12 months or less	(261,962)	(664,151)

(f) Net fair values of financial assets and liabilities

Net fair values of financial assets and liabilities not readily traded in an organised financial market are determined by valuing them at the present value of contractual future cash flows on amounts due from customers (reduced for expected credit losses) or due to suppliers. Cash flows are discounted using standard valuation techniques at the applicable market yield having regard to the timing of the cash flows. The carrying amounts of bank term deposits, trade debtors, other debtors and accounts payable approximate net fair value.

The net fair value of investments in unlisted shares in other corporations is determined by reference to the underlying net assets and an assessment of future maintainable earnings and cash flows of the respective corporations.

The carrying amount and net fair value of financial assets and liabilities as at the reporting date are as follows:

	2015		2014	
	Carrying value $	Fair value $	Carrying value $	Fair value $
Financial assets				
Cash and cash equivalents	8,585,743	8,585,743	3,170,196	3,170,196
Term Deposits	19,587,926	19,587,926	32,600,107	32,600,107
Current receivables	423,722	423,722	427,538	427,538
	28,597,391	**28,597,391**	**36,197,841**	**36,197,841**
Financial liabilities				
Trade and other payables	261,962	261,962	664,152	664,152
	261,962	**261,962**	**664,152**	**664,152**

Cash assets are readily traded on organised markets in a standardised form. All other financial assets and liabilities are not readily traded on organised markets in a standardised form.

17. OPERATING LEASES

Non-cancellable operating lease rentals are payable/receivable as follows:

	2015 $	2014 $
Receivable from third parties		
Less than one year	31,488	31,488
Between one and five years	-	-
More than five years	-	-
Payable to third parties		
Less than one year	70,052	105,510
Between one and five years	-	70,052
More than five years	-	-

Operating lease income receivable relates to pastoral land under agistment and the land lease for the Port Spencer Joint Arrangement.

Operating lease rentals relate to corporate and site offices and accommodation.

18. RELATED PARTIES

The key management personnel compensation is as follows:

	2015 $	2014 $
Short-term employee benefits	1,287,872	1,578,366
Other long-term benefits	139,081	145,122
Termination benefits	34,412	-
Executive share options benefits	70,432	222,862
Employee benefits	**1,531,797**	**1,946,350**

Individual directors and executives compensation disclosures

Information regarding key management personnel compensation is provided in the Remuneration Report in section 5 of the Directors' Report.

Other key management personnel transactions with the Company or its controlled entities:

The Company considers that the joint arrangements in which it has an interest fall within the definition of related parties in the *Corporations Act 2001*. Accordingly the following transactions are disclosed:

		2015 $	2014 $
Expenditure Incurred on behalf of the entity			
Eyre Iron Joint Venture	W	-	380,182
Bungalow Joint Venture	B	5,322	65,793
Port Spencer Joint Venture	S	55,531	3,757
		60,853	**449,732**
Assets and liabilities arising from the above transactions			
Current debtors (excluding GST)		60,193	30,946
Current debtors (including GST)		66,212	34,041

(W) The expenditure incurred by the Company on the Eyre Iron Joint Venture includes the salaries of Company staff that have been working on the project and miscellaneous exploration costs.

Notes to the Consolidated Financial Statements (cont)

(B) The expenditure incurred by the Company on the Bungalow Joint Venture includes drilling and other related exploration expenditure, including the salaries of Company staff that have been working on the project.

(S) The expenditure incurred by the Company on the Port Spencer Joint Venture includes expenditure related to various environmental, engineering and geotechnical studies and includes the salaries of Company staff that have been working on the project.

During 2015 the Port Spencer Joint Venture also incurred land lease rental obligations of $50,000 (excluding GST) (2014: $nil) for land owned 100% by Flinders Pastoral Pty Ltd, a wholly owned subsidiary of Centrex Metals Limited.

Centrex is reimbursed for expenditure incurred on behalf of joint venture entities.

No director has entered into a material contract with the company since the end of the previous financial year and there were no material contracts involving Directors' interests existing at year-end.

Key Management Personnel Holding of Shares:

The movement during the reporting period in the number of ordinary shares in Centrex Metals Limited held, directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

30 June 2015		Holding at 30 June 14	Number Purchased	Issued on Vesting	Number Sold	Holding at 30 June 15
Patna Properties Pty Ltd	(i)	1,347,000	395,810	-	-	1,742,810
Mr Kiat Poh		1,918,880	-	-	-	1,918,880
South Cove Ltd	(ii)	80,876,005	-	-	-	80,876,005
SEL Holdings Ltd	(ii)	16,198,000	-	-	-	16,198,000
Lodge Ltd	(ii)	4,366,667	-	-	-	4,366,667
Wugang Australian Resources Investment Pty Ltd	(iii)	40,399,599	-	-	-	40,399,599
Candle Grove Pty Ltd	(iv)	403,073	-	-	-	403,073
Den Dryver Super Pty Ltd	(v)	40,000	-	-	-	40,000
Mr Ben Hammond	(vi)	-	-	155,000	-	155,000
Mr Alastair Watts	(vi)	-	-	140,000	-	140,000
Mr Steven Brown	(vi)	-	-	190,000	-	190,000
Mr Gavin Bosch	(vi)	930,000	-	110,000	-	1,040,000

(i) Patna Properties Pty Ltd is a company associated with Mr David Klingberg AO.

(ii) South Cove Ltd, SEL Holding Ltd and Lodge Ltd are companies associated with Mr Graham Chrisp.

(iii) Wugang Australian Resources Investment Pty Ltd is a company associated with Mr Bingqiang Lu.

(iv) Candle Grove Pty Ltd is a company associated with Mr Jim Hazel.

(v) Den Dryver Super Pty Ltd is a company associated with Mr John den Dryver.

(vi) Shares were issued to KMP on vesting of Retention Rights.

30 June 2014		Holding at 30 June 13	Number Purchased	Number Sold	Holding at 30 June 14
Patna Properties Pty Ltd	(i)	1,347,000	-	-	1,347,000
Mr Kiat Poh		1,918,880	-	-	1,918,880
South Cove Ltd	(ii)	80,876,005	-	-	80,876,005
SEL Holdings Ltd	(ii)	16,198,000	-	-	16,198,000
Lodge Ltd	(ii)	4,366,667	-	-	4,366,667
Wugang Australian Resources Investment Pty Ltd	(iii)	40,399,599	-	-	40,399,599
Candle Grove Pty Ltd	(iv)	250,000	153,073	-	403,073
Den Dryver Super Pty Ltd	(v)	-	40,000	-	40,000
Mr Ben Hammond		-	-	-	-
Mr Alastair Watts		57,573	-	(57,753)	-
Mr Steven Brown		-	-	-	-
Mr Gavin Bosch		930,000	-	-	930,000

(i) Patna Properties Pty Ltd is a company associated with Mr David Klingberg AO.

(ii) South Cove Ltd, SEL Holding Ltd and Lodge Ltd are companies associated with Mr Graham Chrisp.

(iii) Wugang Australian Resources Investment Pty Ltd is a company associated with Mr Bingqiang Lu.

(iv) Candle Grove Pty Ltd is a company associated with Mr Jim Hazel.

(v) Den Dryver Super Pty Ltd is a company associated with Mr John den Dryver.

No shares were granted to key personnel during the reporting period as compensation.

Notes to the Consolidated Financial Statements (cont)

Key Management Personnel Holding of Options & Rights:

The movement during the reporting period in the number of options and rights over ordinary shares in the Company held, directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

30 June 2015	Note	Holding at 30 Jun 14	Issued	Exercised (E) or Expired (X)	Holding at 30 Jun 15
2014 Retention Rights					
Expiring: 31/7/14; Share hurdle: $0.00					
Mr Ben Hammond		155,000	-	(155,000) E	-
Mr Alastair Watts		140,000	-	(140,000) E	-
Mr Stephen Brown		190,000	-	(190,000) E	-
Mr Gavin Bosch		110,000	-	(110,000) E	-
2014 Performance Rights					
Expiring: 31/7/14; Share hurdle: $0.75					
Mr Ben Hammond		155,000	-	(155,000) X	-
Mr Alastair Watts		140,000	-	(140,000) X	-
Mr Stephen Brown		190,000	-	(190,000) X	-
Mr Gavin Bosch		110,000	-	(110,000) X	-
2015 Retention Rights					
Expiring: 31/7/15; Share hurdle: $0.00					
Mr Ben Hammond		326,316	-	-	326,316
Mr Alastair Watts		284,211	-	-	284,211
Mr Stephen Brown		139,474	-	(139,474) X	-
Mr Gavin Bosch		110,526	-	-	110,526
2015 Performance Rights					
Expiring: 31/7/15; Share hurdle: $0.50					
Mr Ben Hammond		326,316	-	-	326,316
Mr Alastair Watts		284,211	-	-	284,211
Mr Stephen Brown		418,421	-	(418,421) X	-
Mr Gavin Bosch		331,579	-	-	331,579
2016 Performance Rights					
Expiring: 31/7/16; Share hurdle: $0.20					
Mr Ben Hammond		1,000,000	-	-	1,000,000

No other options or rights were granted to key personnel during the reporting period as compensation.

30 June 2014	Note	Holding at 30 Jun 13	Issued	Exercised (E) or Expired (X)	Holding at 30 Jun 14
2014 Retention Rights					
Expiring: 31/7/14; Share hurdle: $0.00					
Mr Ben Hammond		155,000	-	-	155,000
Mr Alastair Watts		140,000	-	-	140,000
Mr Stephen Brown		190,000	-	-	190,000
Mr Gavin Bosch		110,000	-	-	110,000
2014 Performance Rights					
Expiring: 31/7/14; Share hurdle: $0.75					
Mr Ben Hammond		155,000	-	-	155,000
Mr Alastair Watts		140,000	-	-	140,000
Mr Stephen Brown		190,000	-	-	190,000
Mr Gavin Bosch		110,000	-	-	110,000
2015 Retention Rights					
Expiring: 31/7/15; Share hurdle: $0.00					
Mr Ben Hammond		326,316	-	-	326,316
Mr Alastair Watts		284,211	-	-	284,211
Mr Stephen Brown		139,474	-	-	139,474
Mr Gavin Bosch		110,526	-	-	110,526
2015 Performance Rights					
Expiring: 31/7/15; Share hurdle: $0.50					
Mr Ben Hammond		326,316	-	-	326,316
Mr Alastair Watts		284,211	-	-	284,211
Mr Stephen Brown		418,421	-	-	418,421
Mr Gavin Bosch		331,579	-	-	331,579
2016 Performance Rights					
Expiring: 31/7/16; Share hurdle: $0.20					
Mr Ben Hammond		-	1,000,000	-	1,000,000

No other options or rights were granted to key personnel during the reporting period as compensation.

Notes to the Consolidated Financial Statements (cont)

19. CONTINGENT ASSETS

Inferred resource milestone incentive payments

The contingent assets referred to in prior years relating to the inferred resource milestone payments were given up by the Company in November 2013 on signing of the Second Supplementary Deed with WISCO.

20. COMMITMENTS AND CONTINGENT LIABILITIES

Minimum inferred resource milestone

The Company has an obligation to cede additional Inferred Resources into the Eyre Iron Joint Venture if the combined JORC Inferred Resources in the Joint Venture have not reached 1.0B at July 2016 in order to make up the shortfall, provided that all reasonable efforts to explore for magnetite potential within the tenement licences have been made.

Minimum exploration tenement expenditures

In order to maintain its right of renewal of tenements (reviewed on a regular basis), the Group is required to meet exploration expenditures as defined at the time of the granting of the tenements. The tenement commitments are listed in detail in Section 10 of the Directors' Report. A summary of these commitments is as follows:

	2015 $	2014 $
South Australian Tenements		
Tenements with annual commitments	500,000	1,930,000
Tenements with a 24 month commitment to 31 January 2017	2,140,000	-
New South Wales Tenements		
Tenements with annual commitments	227,000	329,250
West Australian Tenements		
Tenements with annual commitments	240,500	-

At the date of this report the Group and its joint venture partners have met the 24 month commitment for the South Australian tenements.

Other commitments

At 30 June 2015 the Group had other commitments of $nil (2014: $nil) payable within one year.

Bungalow joint venture

The Company has entered into an agreement with Aussie Produce Pty Ltd to provide intermediary services in relation to the Bungalow joint venture. Should the Bungalow joint venture proceed to stage 3B ($16 million), Aussie Produce Pty Ltd is entitled to receive 3% of the funding paid into the joint venture bank account ($480,000 for stage 3B).

The Bungalow joint venture had commitments of $nil as at 30 June 2015 (2013: $nil).

21. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

For the purposes of the Consolidated Statements of Cash Flows, cash includes cash on hand and at bank, net of outstanding bank overdrafts. Cash at the end of the financial year, as shown in the Consolidated Statements of Cash Flows, is reconciled to the related items in the Consolidated Statement of Financial Position as follows:

NOTE		2015 $	2014 $
Cash and cash equivalents	6	8,585,743	3,170,196

(b) Reconciliation of cash flows from operating activities

	2015 $	2014 $
Net loss after income tax	(14,821,127)	(734,552)
Interest income	(1,098,805)	(1,730,556)
Depreciation	87,950	149,872
Impairment of land	2,078,882	-
Share options valuation	51,638	254,959
Exploration expenditure written off	16,036,478	38,378
Profit on disposal of plant and equipment	(13,636)	(200)
Discount and amortisation of financial asset	-	(523,863)
Increase in debtors	62,427	(10,788)
Increase in tax payable / (refund)	(71,909)	330,016
Decrease in deferred tax liabilities	(4,852,128)	(273,659)
Increase / (decrease) in payables	(402,189)	175,770
Net cash used in operating activities	**(2,942,419)**	**(2,324,623)**

22. PARTICULARS IN RELATION TO CONTROLLED ENTITIES

The Company holds 100% interest in the following controlled subsidiaries:

- South Australian Iron Ore Group Pty Ltd;
- Flinders Pastoral Pty Ltd;
- Sturt Pastoral Pty Ltd;
- Port Eyre Holdings Pty Ltd;
- DSO Development Pty Ltd;
- Lachlan Metals Pty Ltd;
- Kimba Gap Iron Project Pty Ltd;
- Centrex Potash Pty Ltd.

Port Eyre Holdings Pty Ltd holds a 50% interest in Port Spencer Pty Ltd

23. SEGMENT REPORTING

The Group operates in one business segment; mineral exploration and one geographical segment; Australia.

Notes to the Consolidated Financial Statements (cont)

24. PARENT ENTITY DISCLOSURES

As at, and throughout the year the parent company of the Group was Centrex Metals Limited.

		Company	
		2015 $	2014 $
Result of the parent entity			
Loss for the period	(i)	(12,500,530)	14,953,778
Other comprehensive income		-	-
Total comprehensive income for the period		**(12,500,530)**	**14,953,778**
Financial position of the parent entity			
Current assets		28,597,391	36,197,841
Total assets		29,538,143	53,432,532
Current liabilities		14,667,043	21,306,342
Total liabilities		14,927,599	26,373,096
Net assets		**14,610,544**	**27,059,436**
Equity of the parent entity			
Contributed equity		41,330,328	41,330,328
Share options issues		2,345,902	2,294,264
Accumulated losses		(29,065,686)	(16,565,156)
Total equity		**14,610,544**	**27,059,436**

(i) During 2015 there were no dividends received by the parent entity from subsidiaries however during 2014 the parent entity received a fully franked dividend from is wholly owned subsidiary.

Commitments and contingent liabilities of the parent entity

The commitments and contingent liabilities of the parent entity are the same as those identified at note 20 with one exception. The Department of State Development (‘DSD”) agreed commitments for the South Australian tenements for the parent entity exclude the commitments made on behalf of the wholly owned South Australian Iron Ore Group Pty Ltd. These commitments are part of an amalgamated expenditure agreement undertaken with DSD which makes the separation of commitments between the two entities not practicable.

25. EVENTS SUBSEQUENT TO BALANCE DATE

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

Directors' Declaration

In the opinion of the Directors of Centrex Metals Limited ('the Company'):

1 (a) the consolidated financial statements and notes set out on pages 40 to 68, and the Remuneration report in the Directors' Report, are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2015 and of its performance, for the financial year ended on that date; and

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2 The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2015 pursuant to Section 295A of the Corporations Act 2001.

3 The Directors draw attention to Note 1(a) of the financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors:

Mr David Klingberg AO

Dated at Adelaide this 22nd day of September 2015

Independent auditor's report to the members of Centrex Metals Limited

Report on the financial report

We have audited the accompanying financial report of Centrex Metals Limited (the Company), which comprises the consolidated statement of financial position as at 30 June 2015, and consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended on that date, notes 1 to 25 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement whether due to fraud or error. In note 1(a), the directors also state, in accordance with Australian Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements of the Group comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001* and Australian Accounting Standards, a true and fair view which is consistent with our understanding of the Group's financial position and of its performance.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion:

(a) the financial report of the Group is in accordance with the Corporations Act 2001, including:

   (i) giving a true and fair view of the Group's financial position as at 30 June 2015 and of its performance for the year ended on that date; and

   (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

(b) The financial report also complies with International Financial Reporting Standards as disclosed in Note 1(a).

Report on the remuneration report

We have audited the Remuneration Report included in Section 5 of the directors' report for the year ended 30 June 2015. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with Section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with auditing standards.

Auditor's opinion

In our opinion, the remuneration report of Centrex Metals Limited for the year ended 30 June 2015, complies with Section 300A of the *Corporations Act 2001*.

KPMG

Scott Fleming
Partner

Adelaide

22 September 2015

ASX Additional Information (unaudited)

Additional information required by the Australian Securities Exchange Limited Listing Rules and not disclosed elsewhere in this report is set out below.

Substantial Shareholders of Ordinary and Escrow shares

Rank	Name	9 September 2015	
		Units	% of Issued Capital
1	SOUTH COVE LTD	80,876,005	25.69
2	WUGANG AUSTRALIAN RESOURCES INVESTMENT PTY LTD	40,399,599	12.83
3	BAOTOU IRON & STEEL (GROUP) COMPANY LIMITED	21,900,000	6.96
4	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	16,326,486	5.19
5	SEL HOLDINGS LIMITED	16,198,000	5.15

Distribution of equity holders

Name	9 September 2015	
	Number of ordinary and escrow shares	Employee options / rights plan
1 – 1,000	128	-
1,001 – 5,000	560	-
5,001 – 10,000	389	-
10,001 – 100,000	590	-
100,001 and over	140	6
	1,807	**6**

Top 20 Holders of Ordinary and Escrow shares

Rank	Name	9 September 2015	
		Units	% of Issued Capital
1	SOUTH COVE LTD	80,876,005	25.69
2	WUGANG AUSTRALIAN RESOURCES INVESTMENT PTY LTD	40,399,599	12.83
3	BAOTOU IRON & STEEL (GROUP) COMPANY LIMITED	21,900,000	6.96
4	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	16,326,486	5.19
5	SEL HOLDINGS LIMITED	16,198,000	5.15
6	UNITED IRON LIMITED	15,000,000	4.77
7	MR SIK ERN WONG	8,250,000	2.62
8	DAVAN NOMINEES PTY LTD	6,016,073	1.91
9	MR MELVIN BOON KHER POH	5,782,404	1.84
10	CITICORP NOMINEES PTY LIMITED	5,637,212	1.79
11	KENG CHUEN THAM	4,395,300	1.40
12	LODGE LIMITED	4,366,667	1.39
13	MR GERARD ANDERSON & MR SHANE ANDERSON	4,000,000	1.27
14	MR EWE GHEE LIM & MISS CHARLENE YULING LIM	3,750,000	1.19
15	MISS LAY HONG GOH	3,139,301	1.00
16	ABN AMRO CLEARING SYDNEY NOMINEES PTY LTD	3,095,282	0.98
17	J P MORGAN NOMINEES AUSTRALIA LIMITED	2,958,784	0.94
18	AMALGAMATED DAIRIES LIMITED	2,617,327	0.83
19	MR YAM POEY CHEW	2,500,000	0.79
20	MR KA FAI MARTIN WONG	2,126,455	0.68
		249,334,895	**79.21**

Company Directory

Company Secretaries

Gavin Mathew Bosch CPA

Australian Securities Exchange

The Company listed on the Australian Securities Exchange on 17 July 2006. The Home exchange is Adelaide.

Principal Registered Office

Centrex Metals Limited
Level 11, 147 Pirie Street
Adelaide SA 5000
08 8100 2200
08 8232 0500
www.centrexmetals.com.au

ASX Codes

Shares: CXM

Auditors

KPMG
Chartered Accountants
151 Pirie Street
Adelaide SA 5000

Locations of Share Registries

Boardroom Pty Limited
Level 7, 207 Kent Street
Sydney NSW 2000

GPO Box 3993
Sydney NSW 2001
Telephone: (02) 9290 9600
Fax: (02) 9279 0664
Email: enquiries@boardroomlimited.com.au
Web: www.boardroomlimited.com.au