



ASX ANNOUNCEMENT

21 November 2023

ARDMORE OPERATIONS UPDATE

Centrex Limited (ASX: CXM) ('Centrex' or 'the Company') provides the following update for the Ardmore Mine, 100% owned by its wholly owned subsidiary, Agriflex Pty Ltd.

PRODUCTION UPDATE & OUTLOOK

The Company is pleased to announce that it is on track to ship a total of 57,000 tonnes of beneficiated ore for 2H CY2023. This follows the shipments of 20,510 tonnes on 5th November and 17,263 tonnes on 13th September, both of which were record shipments for the Company. The next scheduled shipment of ~20,000t is due for loading in mid-December, with 11,278t already at the port.

Looking ahead, the Company expects to produce ~50,000 tonnes of beneficiated ore in Q1 CY2024. The Company continues to invest and focus heavily on increasing production rates at Ardmore in anticipation of larger and more frequent shipments throughout CY2024.

CRUSHER DELIVERY, ASSEMBLY & OPERATION

The Company is pleased to report that all crusher components are now on site, marking a significant step in towards the Company's continuous focus on reducing operating costs. It is anticipated that the crusher will be fully operational by the end of the month, which will reduce crushing operating costs by ~60%.



Figure 1: Final crushing plant component arriving onsite.

MARKET DEVELOPMENTS

The suspension of export inspections for DAP/MAP by China's National Development and Reform Commission ('NDRC') on 9 November has led to a temporary halt in Chinese overseas exports ('Chinese Export Restrictions'), significantly impacted global supply chains and causing a surge in DAP/MAP prices across key global markets. Market sources indicate uncertainty regarding the duration of the Chinese Export Restrictions, potentially impacting the supply of DAP, MAP and other fertiliser products globally in CY2024.

Phosphate concentrate prices, closely tied to global DAP/MAP prices, are expected to see similar increases.

Additionally, New Zealand's average anhydrous milk fat price has seen a significant rebound, raising from the lows of US\$4,452/mt in August 2023 to US\$5,489/mt as of November 2023, according to recent Fonterra auctions. Fonterra, New Zealand's largest cooperative, accounts for approximately one-third of the world's dairy exports.

Centrex, with its substantial exports of phosphate concentrates to New Zealand, anticipates these robust anhydrous milk fat prices will bolster phosphate concentrate demand and exports to the region.

FUNDING

Centrex will continue to self-fund production as well as Stage 1.5 Project development, wherever possible. Centrex are in advanced discussions regarding the financing of the expansion and will keep the market updated in accordance with its continuous disclosure obligations.

MANAGEMENT COMMENTARY

Robert Mencil, CEO & Managing Director of Centrex Ltd, commented:

"We are delighted to witness the arrival of all components of our new crusher, a development that will play a key role in lowering our operating costs. Increasing our production and shipping rates are also expected to significantly reduce operating costs on a per tonne basis in CY2024. Given the recent developments in the Asia-Pacific fertiliser sector, we believe our Ardmore Rock Phosphate Mine is well positioned to become a meaningful contributor to future regional food security. Our continued focus remains on ramp up initiatives at Ardmore to generate significant free cash flow for the Company in CY2024 and beyond."

This ASX announcement has been approved and authorised for release by the Board of the Company.

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About Centrex Limited

Centrex Limited is looking to secure Australasia's sustainable agriculture future through the exploration and development of its wholly owned Ardmore Phosphate Project and Oxley Potash Project. The products from both projects are necessary ingredients for global food production and human nutrition. The Centrex Limited fertiliser projects are located near to established energy and transport infrastructure that are necessary for access to established agricultural markets. The Company is also continuing its copper-gold-base metal exploration projects near Goulburn in the Lachlan Fold Belt in New South Wales.

Past and future performance –This Announcement contains forward looking statements. Forward-looking statements generally relate to current expectations, hopes, beliefs, intentions, strategies or productions about future events or Centrex's future financial or operating performance. For example, statements regarding anticipated growth in the industry in which Centrex operates and anticipated growth in demand for Centrex's products and services, projections of Centrex's future financial results and other metrics are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "pro forma", "may", "should", "could", "would", "might", "plan", "possible", "project", "strive", "budget", "targets", "aims", "outlook", "guidance", "forecast", "expect", "intend", "will", "estimate", "anticipate", "believe", "perceives", "predict", "potential" or "continue", or the negatives of these terms or variations of them or similar terminology, but the absence of these words does not mean that a statement is not forward-looking. Such forward-looking statements are subject to risks, uncertainties, and other factors which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. These forward looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance and may involve known and unknown risks, uncertainties and other factors, many of which are outside the control of Centrex. You are cautioned not to place undue reliance on any forward looking statement. Forward looking statements in this Announcement are based on assumptions and contingencies which are subject to change without notice. Actual results, performance or achievements may vary materially from any forward looking statements and the assumptions on which statements are based. The forward looking statements in this Announcement are based on information available to Centrex as at the date of this Announcement and nothing in this Announcement should be regarded as a representation by any person that the forward-looking statements set forth herein will be achieved or that any of the contemplated results of such forward-looking statements will be achieved. Except as required by law or regulation, Centrex its related bodies corporate and their respective officers, employees and advisers disclaim any obligation or undertaking to provide any additional or updated information whether as a result of new information, future events or results or otherwise.