



ASX ANNOUNCEMENT

22nd December 2023

ARDMORE MINE OPERATIONS & STAGE 1.5 EXPANSION 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.

2H CY2023 PRODUCTION & SALES UPDATE

The Company is pleased to announce that it is on track to sell ~55,500t of beneficiated concentrate for 2H CY2023. This result is in line with the previous 56,000-57,000t estimates that were provided to market in November.¹ Loading of the last shipment for the 2H CY2023 period was completed early Friday morning and totalled ~17,400t.

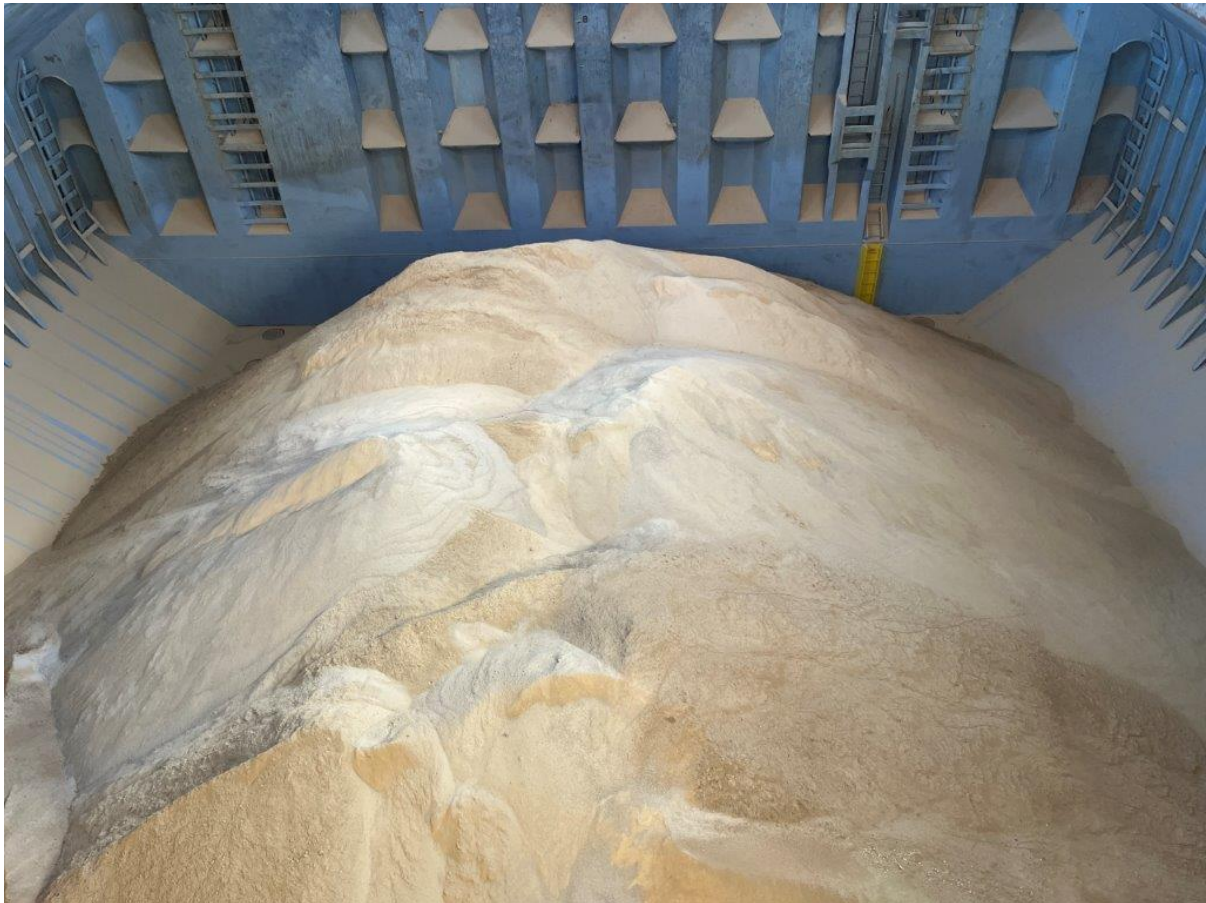


Image 1: Beneficiated concentrate in Hold-3 at Townsville, as of 20th December 2023

¹ ASX Release 6th November 2021 & ASX Release 21st November 2023

MAIDEN SHIPMENT TO NEW CUSTOMER & NEXT SHIPMENTS

Following the latest shipment of ~17,400t, the next shipment is scheduled for the first half of January 2024. This shipment, which is a sub 5% moisture content product, is a maiden shipment for a new customer located in North Asia. All the required product for this maiden shipment is expected to be at port by the 23 December 2023. Following this maiden shipment, the next contracted shipment is anticipated to occur in late January / early February.

PRODUCTION RAMP UP & STAGE 1.5 EXPANSION

Production ramp up initiatives remain well underway at the Ardmore Mine, as the Company anticipates making larger and more frequent shipments throughout CY2024. As of 1 December 2023, the company had over 100,000t of phosphate rock in its production system. This includes mined and crushed un-beneficiated ore stockpiles, beneficiated product on drying pads and in Aurizon's logistics system.

As previously announced², by January 2024, the anticipated annual run-rate of production is expected to be ~240,000t of beneficiated concentrate, and does not require additional capital expenditure to achieve. This increase in run-rate has been achieved 3 months earlier than originally scheduled.

As previously announced³, and subject to financing of the Stage 1.5 Expansion, the Company remains on track to produce 440,000t of beneficiated product for CY2024. This translates to a production run-rate of 625,000t p.a. by December 2024.

STAGE 1.5 EXPANION FUNDING

The Company remains in advanced negotiations with potential financiers to fund the Stage 1.5 expansion capital requirement. As previously announced⁴, negotiations are progressing to allow the Company's stockpiles to be used as security for debt financiers. To date, potential financiers have recognised the Company's stockpiles as a significant and valuable liquid asset.

As previously announced⁵, the required capital expenditure for the Stage 1.5 Expansion has been reduced from ~A\$25.7m to ~A\$17.6m, which is a reduction of A\$8.1m, or 32%. This is a significant capital saving which enables the Company to undertake the Stage 1.5 Expansion at a reduced finance burden. Further, a significant portion of the capital requirement for Stage 1.5 is expected to occur towards the second half of CY2024, which enables the Company to finance Stage 1.5 items with internal cash flows. This is also expected to further reduce the required upfront capital requirement.

Presently, the Company expects the finalisation of a funding solution for Stage 1.5 by the end of January 2024 and that it will be able to meet the previously stated production targets for the CY2024 period. The Company will continue to keep the market updated in accordance with its continuous disclosure obligations.

MANAGEMENT COMMENTARY

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

² ASX Release 29th November 2023

³ ASX Release 29th November 2023

⁴ ASX Release 29th November 2023

⁵ ASX Release 7th November 2023

"We are very pleased our sales for 2H CY2023 was in line with previous guidance, and we are also excited to be sending new sub 5% moisture product as part of a maiden shipment to a new customer. The Company remains sharply focused on ramp up initiatives and funding for the Stage 1.5 Expansion at Ardmore. I look forward to updating shareholders on further developments in due course."

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.