



ASX Announcement

18th May 2018

Ardmore Phosphate Rock Project

Non-binding MOU signed for 300,000 tonnes of phosphate rock off-take from Ardmore



CAPTION: GSFC Managing Director Mr A. M. Tiwari witnessing the exchange of the MOU between GSFC Senior Vice President (Finance & Projects) Mr Sanjeev Varma and Centrex India representative Mr AK Tareen.

Highlights

- ▶ Non-binding MOU signed with Gujarat State Fertilizers & Chemicals Ltd. (“GSFC”) for negotiation of a 10 year off-take agreement of approximately 300,000 tonnes per annum of phosphate rock from Ardmore
- ▶ GSFC plans to commence construction of a new large-scale phosphoric acid plant in India for which the phosphate rock from Ardmore may be supplied as the raw material

Summary

Centrex Metals Limited (“Centrex”) has signed a non-binding Memorandum of Understanding (“MOU”) with Gujarat State Fertilisers & Chemicals Ltd. (“GSFC”) for the supply of product from its Ardmore Phosphate Rock Project (“Ardmore”) in North West Queensland. GSFC is a major Indian fertiliser and chemical manufacturer listed on the National Stock Exchange of India.

Under the terms of the MOU Centrex will provide the required samples to GSFC’s selected technology providers for its new large-scale phosphoric acid plant for their trial and acceptance. Centrex and GSFC are in process of negotiating a binding Heads of Agreement (“HOA”) comprising the key terms of supply. Based on the outcome of testing by technology supplier and the HOA, GSFC and Centrex intend to finalise a sale (off-take) agreement for the supply of approximately 300,000 tonnes (dry basis) of phosphate rock from Ardmore over its proposed 10-year mine life. This represents close to 40% of Centrex’s proposed output from the project.

Centrex Managing Director & CEO Ben Hammond commented;

“With such a large user as GSFC showing interest on a long-term basis in our proposed premium grade ultra-low cadmium product, signing the MOU with them is a key step in expediting production from Ardmore. The potential already to sell almost 40% of our proposed output to GSFC over the mine life, should give the market further confidence in what is a straight forward and simple mine development with a relatively low capital cost.”

For further information, please contact:

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