



ASX ANNOUNCEMENT

14 January 2025

Launch of \$10.4 million Entitlement Offer

Highlights

- Centrex is undertaking an Entitlement Offer to eligible shareholders to raise approximately \$10.4 million subject to a minimum subscription condition of \$9.0 million.
- Net proceeds will be used to fund plant upgrades and working capital.
- The launch of the Entitlement Offer follows the successful execution of strategic agreements with its logistic supplier, which has restructured its logistics trade debts thereby enhancing the company's working capital position.
- Following the successful completion of the Entitlement Offer, Centrex's pro forma net cash at 14 February 2025 is projected to be approximately \$9.8 million, providing confidence to management to continue its execution of its strategy and to invest in potential high growth initiatives.

Centrex Limited (ASX:CXM) ("Centrex" or "the Company") is pleased to announce the launch of an entitlement issue to Eligible Shareholders on the basis of one (1) ordinary Share (**New Shares**) for every one (1) Share held as at the Record Date of 23 January 2025 at an Offer Price of \$0.012 per New Share, together with one (1) free attaching Option for every two (2) New Shares subscribed for and issued (**New Option**) to raise approximately \$10.4 million (**Entitlement Offer or Offer**).

The Offer is subject to a minimum acceptance condition of \$9.0 million which is the minimum funding required to support the Company's arrangements with its logistic provider and lender (refer ASX announcement dated 3 January 2025) and to stabilise and maintain its ongoing financial viability moving forward.

Based on the capital structure of the Company as at the date of this Prospectus, a maximum of approximately 867,605,720 Shares are to be issued to raise up to approximately \$10.4 million (before costs of the Entitlement Offer).

Management Commentary

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

"The Entitlement Issue is a vital step in ensuring the financial viability of the Company moving forward as well as building a financial foundation needed to complete the Stage 1.5 Expansion, which will enable the essential plant upgrades required to achieve 625ktpa of beneficiated phosphate production. The agreements with the Company's logistics provider have allowed us to restructure our trade debts with them (which helps bolster our working capital position), which subject to completing a successful capital raise, will allow us to advance our strategy with

confidence. Subject to the successful completion of the capital raise, Centrex will be well-positioned to fully leverage Ardmore's significant on-site inventory and the strong customer relationships cultivated over the past several years. We deeply appreciate the continued support of our shareholders and should shareholders and investors get behind this capital raise, we remain committed to delivering long-term returns."

Use of Funds

The proceeds of the Entitlement Offer will be used as follows:

Use of Funds	Fully subscribed (A\$)	Minimum subscription (A\$)
Plant upgrade	4.25 million	4.25 million
Tailing facility	1.19 million	
Workshops and camp expansion	0.69 million	
Expenses of the Offer	0.60 million	0.50 million
Working Capital	3.67 million	4.25 million
Total	10.4 million	9.0 million

Following the Entitlement Offer, Centrex's pro forma net cash at 14 February 2025 will be approximately \$9.8 million, post transaction costs.

Entitlement Offer

Eligible shareholders with a registered address in Australia or New Zealand as at 7.00pm (Adelaide time) on the Record Date, not being US persons or acting for the account or benefit of persons in the US (**Eligible Shareholders**) will be invited to participate in the Entitlement Offer. The Entitlement Offer will open at 9.00am (Adelaide time) on Friday, 24 January 2025 and close at 5.00pm (Adelaide time) on Friday, 14 February 2024 (subject to any extensions of the Closing Date).

The Entitlement Offer is made up of three separate offers as follows:

- (1) a pro-rata, non-renounceable entitlement offer to Eligible Shareholders on the basis of one (1) New Share for every one (1) Share held on the Record Date at an issue price of A\$0.012 per New Share to raise approximately \$10.4 million, together with one (1) free attaching new Option for every two New Shares subscribed for (**Priority Offer**);
- (2) to the extent that there is a shortfall of subscriptions under the Priority Offer, an offer of Shortfall Shares to Eligible Shareholders (**Shortfall Offer**); and
- (3) to the extent that there is a further shortfall of subscriptions under the Priority Offer and the Shortfall Offer, the remaining Shares will be available for subscription to Eligible Shareholders and the public at the same Offer Price as the Priority Offer and Shortfall Offer (**Public Offer**).

Each two (2) New Shares subscribed for under the Entitlement Offer will include the grant of one (1) free attaching New Option exercisable at \$0.02 each on or before 31 March 2026. The New Options will not be listed.

All New Shares offered under the Entitlement Offer will be issued at the Offer Price of \$0.012 per New Share, which represents a:

- 29.4% discount to the to the last traded price on 16 December 2024; and
- 42.9% discount to the to the 15-day volume weighted average trading price (VWAP) of the Company's shares ending on that date.

The Directors reserve the right to place any shortfall not taken up by Eligible Shareholders under the Shortfall Offer and Public Offer at their discretion within three months after the close of the Offer, provided that the issue price is not less than the issue price under the Entitlement Offer.

The Entitlement Offer is not underwritten.

The Entitlement Offer is non-renounceable, and Entitlements will not be tradable or otherwise transferable. Eligible shareholders who do not take up their Entitlement under the Entitlement Offer in full or in part, will not receive any value with respect to those Entitlements not taken up.

Eligible Shareholders can choose to take up all, or part or none of their Entitlement under the Entitlement Offer.

Eligible Shareholders are not assured of being allocated any New Shares (and Attaching New Options) in excess of their Entitlement under the Shortfall Offer. New Shares allocated under the Shortfall Offer will be allocated in accordance with the allocation policy outlined in the Prospectus. The Company retains absolute discretion regarding allocation under the Shortfall Offer and Public Offer.

The Entitlement Offer is made under a prospectus to be issued under section 713 of the Corporations Act 2001 (Cth) (**Prospectus**). The terms and conditions under which Eligible Shareholders may apply will be outlined in the Prospectus, which will be available on the ASX website on Monday, 20 January 2025.

Existing Shareholders with a registered address outside Australia and New Zealand on the Record Date or who are acting for the account or benefit of persons in the United States will be ineligible to participate in the Entitlement Offer, other than persons that Centrex has determined in its discretion are Eligible Shareholders.

If the \$9 million minimum subscription is not reached under the Entitlement Offer, Centrex may not proceed with the Entitlement Offer and no New Shares or New Options will be issued. In those circumstances, given the Company's funding requirements, there will be an urgent need for alternative sources of funding and capital spending constraints. Such measures may include:

- ceasing mining and mine development activities at the Ardmore Mine;
- sale of additional assets in the portfolio;
- further debt and equity capital initiatives; and
- sale of the assets or the business.

There is no assurance that the Company would be able to identify and obtain sufficient alternative sources of liquidity and/or funding within the time required, in which case the Company may not be able to continue as a going concern.

Indicative Entitlement Offer Timetable

Announcement of Entitlement Offer Lodgement of Appendix 3B (Entitlement Offer)	Tuesday, 14 January 2025 (before market open)
Lodgement of Prospectus with ASX and ASIC	Monday, 20 January 2025 (before market opens)
Record date for Entitlement Offer	Thursday, 23 January 2025
Entitlement Offer Opening Date Dispatch of Prospectus and Entitlement Offer Application Forms	Friday, 24 January 2025
Last date to extend Closing Date for Entitlement Offer	Tuesday, 11 February 2025
Entitlement Offer Closing Date Close at 5pm (ACDT)	Friday, 14 February 2025
Entitlement Offer Results Company announces results of the Entitlement Offer and notifies ASX of under-subscriptions (if any)	Tuesday, 18 February 2025
Issue Entitlement Offer securities Lodgement of Appendix 2A	Thursday, 20 February 2025 (before 12pm Sydney time)
Quotation of Shares under Entitlement Offer	Friday, 21 February 2025

This timetable is indicative only and may be subject to change without notice to, or consultation with Eligible Shareholders. Centrex reserves the right to amend any or all of these dates and times subject to the *Corporations Act 2001* (Cth), the ASX Listing Rules and other applicable laws. In particular, Centrex reserves the right to extend the closing date for the Entitlement Offer, to accept late applications under the Entitlement Offer and to withdraw the Entitlement Offer without prior notice. Any extension of the closing date for the Entitlement Offer will have a consequential effect on the allotment date of New Shares. Centrex also reserves the right not to proceed with the Entitlement Offer in whole or in part at any time prior to allotment and issue of the relevant New Shares. In that event, the relevant application monies (without interest) must be returned in full to applicants.

Further details of the Entitlement Offer are set out in the Prospectus. This document contains important information including key risks and foreign offer restrictions with respect to the Entitlement Offer. For other questions, you should consult your broker, solicitor, accountant, tax adviser, financial adviser, or other professional adviser.

This announcement is not a Prospectus. Any person considering acquiring securities under the Entitlement Offer should read the Prospectus carefully. Applications for shares under the Entitlement Offer may only be made using the Entitlement and Acceptance Form to be attached to, or accompanying the Prospectus. Securities will only be issued on the basis of an Entitlement and Acceptance Form issued together with the Prospectus.

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.

Important Notices

Forward Looking Statements

This announcement contains certain "forward-looking statements". The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks and uncertainties and other factors that are beyond the control of Centrex, its directors and management.

This includes statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such statements and any projections and assumptions on which these statements are based. These statements may assume the success of Centrex' business strategies. The success of any of those strategies will be realised in the period for which the forward-looking statement may have been prepared or otherwise. Readers are cautioned not to place undue reliance on forward-looking statements and except as required by law or regulation, none of Centrex, its representatives or advisers assumes any obligation to update these forward-looking statements. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this announcement. The forward-looking statements are based on information available to Centrex as at the date of this announcement. Except as required by law or regulation (including the ASX Listing Rules), none of Centrex, its representatives or advisers undertakes any obligation to provide any additional or updated information whether as a result of a change in expectations or assumptions, new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

Not an offer in the United States

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or in any other jurisdiction in which such an offer would be illegal. Any securities described in this announcement have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**US Securities Act**") or the securities laws of any state or jurisdiction of the United States. Accordingly, the securities described in this announcement may not be offered or sold, directly or indirectly, in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable securities laws of any state or other jurisdiction of the United States.

Own enquiries

Investors should make and rely upon their own enquiries before deciding to acquire or deal in Centrex securities.

Determination of eligibility of investors

Determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to several matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Centrex. To the maximum extent permitted by law, Centrex disclaims any duty or liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) in respect of the exercise of that discretion or otherwise.

Financial Data

The pro-forma financial information included in this announcement is for illustrative purposes and does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of the United States Securities and Exchange Commission.

Certain financial data included in this announcement is "non-IFRS financial information" under ASIC Regulatory Guide 230 Disclosing non-IFRS financial information published by ASIC and also "non-GAAP financial measures" within the meaning of Regulation G under the U.S. Securities Exchange Act of 1934, and are not recognised under AAS and International Financial Reporting Standards (IFRS).

Non-IFRS/non-GAAP measures in this announcement are not subject to audit and include EBITDA and EBIT. Readers are cautioned, therefore, not to place undue reliance on any non-IFRS/non-GAAP financial information and ratios included in this announcement.