



ASX Announcement – 6 April 2020



Company Update

Key Points

- Work continues on progressing the Company's flagship Ardmore Phosphate Project in readiness for development once further funding has been received for the project.
- Consultants have been engaged to further refine processing options for the Oxley Potash Project.
- Work is being undertaken to better understand the gold results at the Goulburn gold-base metal project.
- Administration costs including directors and other fees have been substantially reduced.

Ardmore Phosphate Project

Work continues on the Company's high grade low impurity Ardmore Phosphate Project. Current activities include marketing of rock phosphate from both the trial mine and the proposed ongoing annual production, approvals and other matters associated with the preparedness of the project for further development and the completion of capital raising for the project.

Despite the current disruptions in capital raising markets, some progress has been made in funding discussions and the Company is optimistic a satisfactory outcome can be achieved in time.

Oxley Potash Project

Experienced mineral processing consultants Mineral Strategies Pty Ltd have been engaged to investigate refinement of processing options for the Oxley potassium nitrate project.

In addition, the tenements containing the Oxley resources are in the process of being rationalised to ensure the ongoing security of the project's necessary mineral resources.

Goulburn Gold-Base Metal Project

Additional work aimed at better understanding the gold results from previous sampling is being carried out on the Goulburn gold-base metal project. The heightened interest in the gold prospectivity of Goulburn is supported by the high-grade gold results achieved by Skye Metals Ltd (ASX:SKY) at its nearby Cullarin project.

COVID-19 Response

Centrex Metals Limited (ASX:CXM) (Centrex or the Company) advises that it has taken a number of precautionary measures in response to the current COVID-19 pandemic.

The scale and potential duration of the COVID-19 pandemic and its market consequences are such that the Board considers it wise to take every step necessary to protect its staff and other people associated with its projects, and to take all necessary action to preserve cash to enable the Company to act strongly and decisively once this situation has abated.

Key Points

- Appropriate actions implemented to minimise the impact of the current public health and economic crisis on Centrex Metals and our key stakeholders, including early action on work-from-home directives to ensure the risk of key staff becoming unwell is minimised.
- All field-based exploration suspended until circumstances permit to comply with State Government travel restrictions.
- Cost reductions being implemented include a reduction in outgoings for Director fees, staff costs and other costs in order to preserve the Company's cash (~\$2.3 million) during these uncertain times.
- Centrex Metals plans to continue work where ever possible during the foreseeable future so as to be in a sound position both technically and financially when conditions improve to strongly advance its projects.

Centrex Metals executive Chairman, Graham Chrisp, said: "These are difficult times for the world community, for Australia and our economy. We will do everything we can to support the fight against COVID-19 and to keep Centrex in good shape to allow for a return as soon as possible to the rapid advancement of the Company's exciting projects."

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About Centrex Metals

Centrex Metals is looking to secure Australasia's sustainable agriculture future through the exploration and development of its advanced wholly-owned Ardmore Phosphate Project and the large Oxley Potash Project. The products from both of these projects are necessary ingredients for global food production and human nutrition.

The Centrex Metals 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 in strategic areas such as near Goulburn in the Lachlan Fold Belt in New South Wales.