



ASX Announcement



# Quarterly Activities Report

## March 2020

**24 April 2020**

**ASX Code: CXM**

**Issued Capital:**

Shares	315.7M
Options/ Rights	3.1M
Share Price	A\$ 0.024
Market Cap.	A\$ 7.6M
Cash (31 Mar)	A\$ 2.3M

**Board of Directors:**

Graham Crisp  
*Executive Chairman*

Peter Cox  
*Non-Executive Director*

Dr A John Parker  
*Non-Executive Director*

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## Highlights

### Ardmore Phosphate Rock Project, Queensland

- ▶ Ardmore phosphate project progressing as funding options are advanced.
- ▶ Oxley potash being advanced by external consultants with the aim of refining and improving processing and product alternatives.
- ▶ New study commenced on the Goulburn gold-base metal project as encouraging gold grades are achieved by nearby explorers and the region receives heightened interest for gold prospectivity .
- ▶ COVID-19 precautions taken to protect staff and associated workers with minimal impact on projects while preserving cash for eventual return to normal operations.

### Corporate

- ▶ A\$2.3 million cash reserves as at 31<sup>st</sup> March 2020
- ▶ Dr John Santich appointed company secretary replacing Ms Christine Manuel, effective 31 March 2020

This quarterly activities report and Appendix 5B has been approved for release to the ASX by the Board of Centrex.

# REPORT

## 1. ARDMORE PHOSPHATE ROCK PROJECT, QLD

Work continues on the Company's high grade low impurity Ardmore Phosphate Project. Current activities include marketing of rock phosphate from both the proposed trial mine and 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.

The latest CRU report on phosphate pricing indicates a CFR India price for 71-75% BPL of US\$140-/t by the end of 2022, still broadly in line with the price assumed in the Ardmore project optimised DFS projections

Despite the current disruptions to capital raising markets, progress continues to be made in funding discussions.

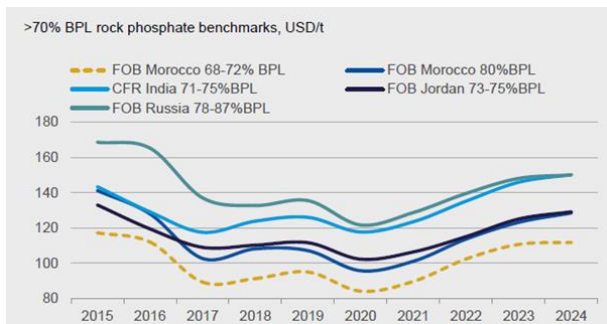


Figure 1 – Medium-term higher grade Phosphate Rock (as proposed to be produced at Ardmore) price outlook (source CRU February 2020)

## 2. OXLEY POTASSIUM NITRATE PROJECT, WA

The Company has engaged external consultants to review processing and product alternatives, with the aim of refinement of current processes (and also possible alternative components) for the development of the Oxley Project.

During the quarter, further rationalization of the Oxley tenements was effected with the Full Surrender of E70/4004 and the Partial Surrender of E70/3777 from 24 blocks to 5 blocks.<sup>3</sup>

## GOULBURN GOLD-BASE METAL PROJECT, NSW

There is heightened interest in the gold prospectivity at the Company's 100% owned Goulburn project and work has already begun on reviewing drilling and surface sampling data to better understand gold results from Centrex's previous exploration at the Goulburn project. The 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. .

## 4. CORPORATE

The Company maintained a cash balance of A\$2.3 million as at 31<sup>st</sup> March 2020, a reduction of \$0.48 million from the prior quarter reflecting ongoing administration running costs and Ardmore project costs.

The following changes in the administration of the Company occurred during the quarter:

- Dr John Santich was appointed company secretary, replacing Ms Christine Manuel, effective 31 March 2020.

**5. TENEMENTS**

The Company and its wholly owned subsidiaries hold the following tenements and leases;

**Queensland (Phosphate)**

Ardmore Phosphate Rock Project ML 5542  
Ardmore EPM 26551  
Ardmore EPM 26568  
Ardmore EPM 26841

**New South Wales (Zinc)**

Goulburn EL 7388                      Archer EL 7503

**Western Australia (Potash)**

Oxley E70/3777  
Oxley E70/4318  
Oxley E70/4319  
Oxley E70/4320

**Northern Territory (Phosphate)**

ELA 32048  
EL 32082  
EL 32091

Attached is the Appendix 5B Statement of Cash flows for the period from 1 October 2019 to 31 December 2019. For further information please contact:

**Graham Chrisp**

Executive Chairman  
Centrex Metals Limited  
Ph (08) 8213 3100

**John Santich**

Company Secretary  
Centrex Metals Limited  
Ph (08) 8213 3100

**Forward Looking Statements**

This announcement may contain forward looking statements. Forward looking statements inherently involve subjective judgement and analysis and are subject to significant uncertainties, risks and contingencies, many of which are outside of the control of, and may be unknown to Centrex Metals Limited ('Centrex' or the 'Company'). Actual results and developments may vary materially from those expressed in these materials. The types of uncertainties which are relevant to the Company may include, but are not limited to, commodity prices, political uncertainty, changes to the regulatory framework which applies to the business of the Company and general economic conditions. Given these uncertainties, readers are cautioned not to place undue reliance on such forward looking statements.

Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, the Company may not update or revise any of the forward looking statements resulting from any change in events, conditions or circumstances on which any such statement is based.

Forward looking statements include, but are not limited to, statements concerning Centrex's planned exploration program, targeted resources, commencement of product export and other statements that are not historical facts. When used in this document, the words such as "could", "target", "plan", "estimate", "intend", "may", "aim", "potential", "should", and similar expressions reflected in these forward-looking statements are reasonable, such as statements involving risks and uncertainties and no assurance can be given that actual results be consistent with these forward-looking statements.

## Appendix 5B

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

## Name of entity

Centrex Metals Limited

## ABN

97 096 298 752

## Quarter ended ("current quarter")

31 March 2020

## Consolidated statement of cash flows

Current quarter  
\$A'000Year to date  
(6 months)  
\$A'000

## 1. Cash flows from operating activities

1.1 Receipts from customers

-

-

1.2 Payments for

(a) exploration &amp; evaluation (if expensed)

-

(43)

(b) development

-

-

(c) production

-

-

(d) staff costs

(111)

(575)

(e) administration and corporate costs

(143)

(658)

1.3 Dividends received (see note 3)

-

-

1.4 Interest received

14

44

1.5 Interest and other costs of finance paid

-

-

1.6 Income taxes paid

-

-

1.7 Government grants and tax incentives

-

-

1.8 Other

-

-

## 1.9 Net cash from / (used in) operating activities

(246)

(1,232)

## 2. Cash flows from investing activities

2.1 Payments to acquire:

(a) entities

-

-

(b) tenements

-

-

(c) property, plant and equipment

-

(2)

(d) exploration &amp; evaluation (if capitalised)

(244)

(2,157)

(e) investments

-

-

(f) other non-current assets

-

-

2.2 Proceeds from the disposal of:

(a) entities

-

-

(b) tenements

-

-

(c) property, plant and equipment

9

9

(d) investments

-

-

(e) other non-current assets

-

-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other - customs duty refund	-	109
2.6	<b>Net cash from / (used in) investing activities</b>	<b>(235)</b>	<b>(2,041)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	2,841	5,633
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(246)	(1,232)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(235)	2,041
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>2,360</b>	<b>2,360</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	360	476
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other – term deposits (maturity within 90 days)	1,650	2,015
5.4	Secured term deposits *	350	350
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,360	2,841

\* Term Deposits held in relation to secured bank guarantees

6.	Payments to related entities of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included at item 1 **	(21)
6.2	Aggregate amount of payments to related parties and their associates included at item 2	-

\*\* Amount included in item 6.1 is Directors remuneration

7.	Financing facilities available <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		



<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (Item 1.9)	(246)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(243)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(489)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	2,360
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
<b>8.6</b>	<b>Total available funding (Item 8.4 + Item 8.5)</b>	<b>2,360</b>
<b>8.7</b>	<b>Estimated quarters of funding available (Item 8.6 divided by Item 8.3)</b>	<b>4.83</b>

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

## Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

Date: 24 April 2020

Authorised by: the Board of the Company

### Notes

- This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
- If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
- Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
- If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
- If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.