



FOR IMMEDIATE RELEASE

11 April 2007

General Manager
The Company Announcements Office
Australian Stock Exchange

Dear Sir

JORC COMPLIANT INDICATED RESOURCE - WILGERUP PROJECT

Centrex Metals Limited ("Centrex") is pleased to announce the results of the independent Resource estimation at the Company's Wilgerup North Hematite Deposit located 30kms southeast of Lock on Eyre Peninsula of South Australia. Resource modeling was carried out by Snowden Mining Industry Consultants.

Highlights

- **JORC Compliant Indicated Resource of 8.0 Mt (*North Ore Pod only*) plus additional Inferred Resource of 1.1 Mt massive hematite and 3.2 Mt of hematite clay and hematite carbonate.**
- **Mine design, economic modeling and ore scheduling studies in progress with expected completion by second week of May.**
- **Centrex believes that the disposition of the massive hematite will lead to a low overall mining strip ratio and low mining costs.**

Summary

- The massive hematite resource is:

Ore Type	Classification	Tonnage (Mt)	Fe %	SiO ₂ %	Al ₂ O ₃ %	LOI %	P %
Massive Hematite	Indicated	8.0	59.8	3.3	2.3	4.8	0.47
Massive Hematite	Inferred	1.1	59.5	3.1	2.2	4.1	0.66
	Total	9.1	59.8	3.3	2.3	4.8	0.49

- The deposit also includes two additional hematite mineralised horizons, namely hematite clay and hematite carbonate. The hematite clay is thought to be a paleo-weathering product where joints/fractures within the hematite deposit have been infilled by clay. The hematite carbonate forms a layer between the massive hematite and underlying dolomite. The respective Inferred Resource for these potential ore types are:

Ore Type	Classification	Tonnage (Mt)	Fe %	SiO ₂ %	Al ₂ O ₃ %	LOI %	P %
Hematite Clay	Inferred	2.1	48.6	11.1	5.1	7.6	0.47
Hematite Dolomite	Inferred	1.1	47.9	8.6	4.0	8.1	0.74
Total		3.2	48.3	10.3	4.8	7.8	0.56

Background

Centrex commenced reverse circulation exploration and resource definition drilling at Wilgerup on 6th September 2006. By 7th February 2007, 12,307 metres of drilling had been completed.

Resource definition drilling at 80m x 20m and selected 40m x 20m drill spacings was deemed sufficient to support the estimation of an Indicated Resource.

Four HQ3 diamond drillholes were drilled in February and March 2007 to provide samples for ore characterization test work and in the case of the hematite clay and hematite carbonate, to provide samples for beneficiation tests. The drill core has been filleted for assay and once assays have been received 6 x composites of massive hematite; 3 x composites of hematite clay and 3 x composites of hematite carbonate will be collected for testing.

Geology

The hematite mineralization occurs as a tabular moderate to steeply dipping 800m x 60-100m body with high grade intervals ranging from 10 – 100m and averaging 35m in thickness. The massive hematite lies buried immediately beneath 20-25m of Tertiary sand/clay.

The massive hematite is overlain in places by hematite clay consisting of high grade hematite with clay intervals that appear to be clay infilling palaeo-fractures. The hematite clay grades from 45-60% Fe.

The massive hematite grades vertically into hematite carbonate which itself grades vertically into massive dolomite. The hematite carbonate consists of massive and finely banded hematite with relict fine bands of silica/carbonate and secondary carbonate veining. The hematite carbonate generally grades 45-55% Fe.

Figure 1: Wilgerup North Pod Ore Intercept Isopachs (+60% Fe composites)

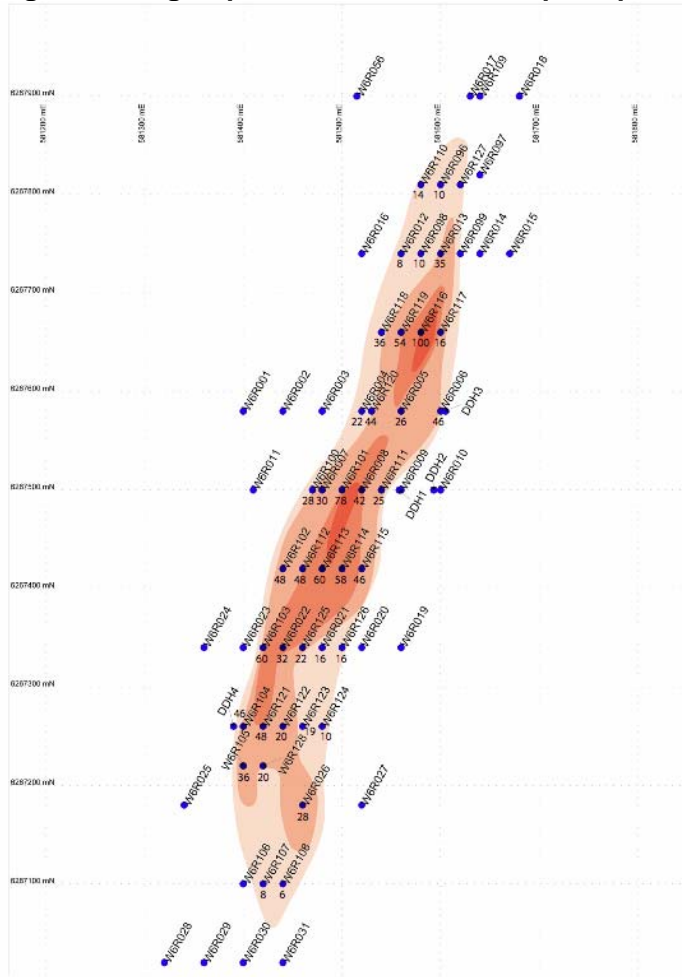


Figure 2: Wilgerup North Pod Ore Long Section through Block Model

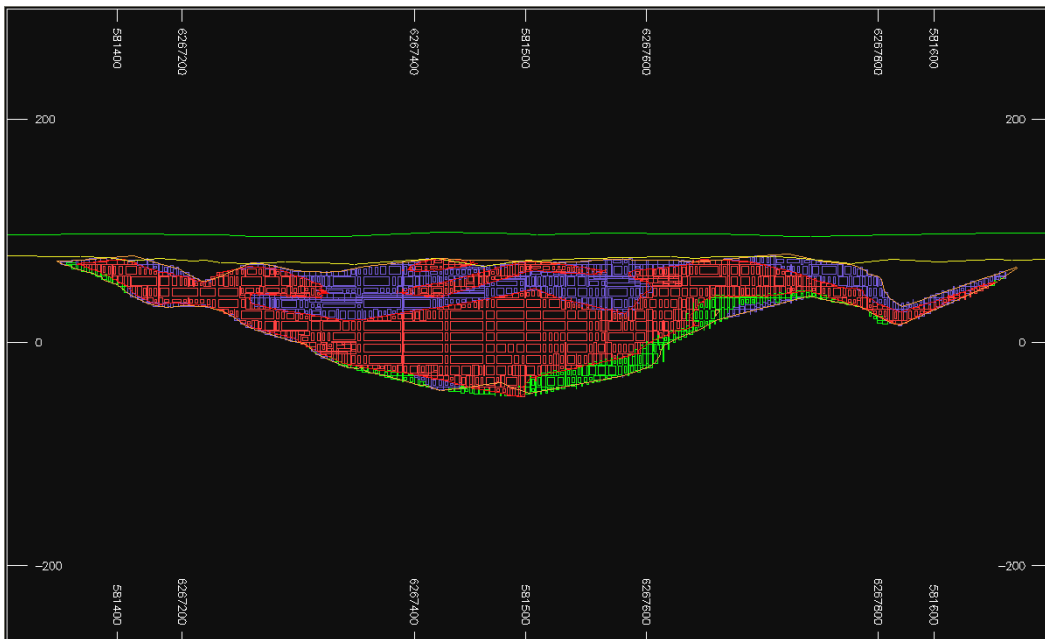


Figure 2 massive hematite is coded red; hematite clay coded blue and hematite carbonate green. Centrex believes that due to a number of drill holes terminating in hematite, that the estimation of hematite carbonate is likely to be conservative.

Resource Methodology

Snowden Mining Industry Consultants (Snowden) has, on behalf of Centrex Metals Limited (Centrex), undertaken a Mineral Resource Estimate for the Wilgerup North iron ore deposit. The Wilgerup exploration license is located in the central Eyre Peninsula district of South Australia.

A reverse circulation and diamond drilling program was conducted by Centrex in 2006 and 2007 and has confirmed hematite mineralisation. This drilling data forms the basis of the resource estimate. Three mineralised facies were identified at Wilgerup North including a massive hematite facies, hematite-carbonate facies and a hematite-clay facies that were modelled separately. These three units were identified based on lithologic and geochemical data.

The Mineral Resource has been tabulated above a block model cut-off grade of 55% Fe within the massive hematite facies and above a cut off of 45% Fe for the hematite-clay and hematite-carbonate facies as these units may have additional metallurgical processing requirements. Metallurgical test work is planned to assess how amenable these units are to beneficiation. The classified Mineral Resource results are presented in Tables 1 and 2.

At an iron cut-off of 55% Fe for the massive hematite facies, the Indicated Resource totals 8.0 Mt at grades of 59.8% Fe, 3.3% SiO₂, 2.3% Al₂O₃ and 0.48% P. The Inferred Resource within this facies totals 1.1 Mt at a grade of 59.5% Fe, 3.1% SiO₂, 2.2% Al₂O₃ and 0.66% P.

The hematite-clay and hematite-carbonate units have an Inferred Mineral Resource classification and are reported above a 45% Fe cut-off. The hematite-clay facies totals 2.1 Mt at a grade of 48.6% Fe, 11.1% SiO₂, 5.1% Al₂O₃ and 0.47% P. The hematite-carbonate facies totals 1.1 Mt at a grade of 47.9% Fe, 8.6% SiO₂, 4.0% Al₂O₃ and 0.74% P.

The resource has been classified into Indicated and Inferred categories in accordance with the 2004 JORC Code. The resource classification is based upon a number of criteria including the geological confidence, the integrity of data, the spatial continuity of mineralisation and the quality of the estimation.

Centrex provided Snowden with the data and geological interpretations used as the basis for the estimates. Snowden has reviewed the drilling and sampling data underlying the resource estimate and, following suitable adjustments, can verify that the data is of sufficient quality to support the resource classifications. Snowden has not undertaken a site visit as part of the estimation process. Snowden considers that Centrex should be able to increase the confidence and size of the resource through additional drilling.

Mineralisation within the massive hematite facies was interpreted for estimation purposes using a nominal 55% Fe cut-off whilst a nominal 45% Fe cut-off was used for the hematite-clay and hematite-carbonate facies in conjunction with geological information. The interpretation of the mineralisation boundaries for each facies was constrained within the vertical limits of the drillhole data. Variography was conducted within the massive hematite facies (based on the quantity of samples available and continuity of data. Mineralisation continuity to 160 m was exhibited along strike and 50 m across strike). The block model that was generated was based on a parent block size that is appropriate for the mineralisation continuity and current drillhole spacing.

Snowden used ordinary kriging to estimate Fe, SiO₂, Al₂O₃, P, LOI, CaO, MgO, Mn, S, TiO₂ and Na₂O into a constrained block model reflecting the interpreted facies. Where appropriate, top cuts were applied to some of the elements estimated. The search ranges for the estimation were based on the maximum ranges of mineralisation continuity as modelled from the variography.

The variogram parameters derived from the massive hematite facies were used to estimate all three facies.

An average in-situ density of 3.3 t/m³ was used for the massive hematite domain, 2.5 t/m³ for the hematite clay domain and 2.9 t/m³ for the hematite carbonate domain. These densities were supplied by Centrex.

Further Resource Potential at Wilgerup

Up to 30 geophysical targets have been interpreted within Exploration Licence 3317. Centrex drilled wide spaced drill lines over five (5) residual gravity anomalies. Four of the five gravity anomalies recorded low grade hematite reinforcing the validity of the exploration model for blind hematite deposits. Centrex believes that drilling of the remaining geophysical targets is likely to add to the resource inventory at Wilgerup.

Competent Person's Statement

The information in this Public Report that relates to Mineral Resources is based on, and accurately reflects, the information compiled by Mr. Gerard Anderson or Centrex Metals Limited and Mr. Michael Andrew of Snowden Mining Industry Consultants. Mr. Anderson is member of the Australasian Institute of Mining and Metallurgy and Mr. Andrew is also member of the Australasian Institute of Mining and Metallurgy. Messrs Anderson and Andrew have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Messrs Anderson and Andrew consent to the inclusion in the report of the matters based on the information in the form and context in which it appears

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