

FOR IMMEDIATE RELEASE

26th November 2007

General Manager
The Company Announcements Office
Australian Stock Exchange

Dear Sir

**MEMORANDUM OF UNDERSTANDING WITH ONESTEEL FOR USE OF PORT OF WHYALLA
FOR EXPORTING IRON ORE**

The Directors of Centrex Metals Limited (“Centrex”) are pleased to announce that the Company has signed a Memorandum of Understanding with Onesteel Manufacturing Pty Ltd (“Onesteel”) covering Centrex’ use of an area of the Inner Harbour at Whyalla SA to build facilities for the purpose of exporting of iron ore.

Centrex is currently conducting preliminary feasibility studies into potential port options for the Wilgerup hematite deposit, including using the Port of Whyalla. Whyalla is potentially attractive for Centrex as the facilities needed for the Company’s first proposed mining operation at Wilgerup may also be used for the future development of the Company’s Bungalow Magnetite Project.

Onesteel and Centrex have been engaged in discussions regarding accessing the Port of Whyalla for the purpose of exporting iron ore. The parties have agreed to consider the feasibility of having Centrex access the Port and construct ore export facilities on the Whyalla Steelworks Site.

The non-binding Memorandum of Understanding states that Onesteel and Centrex will use their best endeavours and in good faith negotiate the terms and conditions of an Ore Export and Access Agreement.

About Centrex

Centrex Metals Limited listed on the ASX on 19th July 2006. The Company has 14 ELs covering some 2,000km² on Eyre Peninsula, South Australia. Centrex has defined a JORC Indicated and Inferred hematite resource of 9.1 million tonnes grading 59.8% Fe within the Wilgerup North Hematite Pod which remains open to the east and to the north at depth. The Wilgerup deposit is located 30 kms southeast of the township of Lock on Central Eyre Peninsula.

In addition to the North Hematite Pod, Wilgerup contains another known occurrence of hematite mineralization – the South Hematite Pod. Resource drilling in this area commenced on 21st November with the first two holes visually intersecting 30-40m of hematite mineralization consisting of some 10m of hematite carbonate overlying 20m of massive hematite before passing

vertically into low grade hematite banded iron formation, jaspilite and quartzite. The South Hematite Pod is not included in the published Wilgerup Resource estimates.

In addition to Wilgerup, Centrex recently announced a staged joint venture with Baotou Iron & Steel Co., Ltd ("Baotou") for the Bungalow Magnetite Deposit. Baotou will spend up to A\$40 million to complete a bankable feasibility study and in doing so will earn a 50% equity in the deposit. The Joint Venture is subject to receiving consents from the Chinese government. The first stage payment of A\$8 million is expected before 5th January 2008.

For further information please contact:

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The information in this report relating to Exploration Results is based on information compiled by Mr Gerard Anderson who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Anderson is Managing Director of Centrex Metals Limited. Mr Anderson has sufficient experience, which is relevant to the style of mineralization and type of deposit under consideration and to the activity, which he is 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". Mr Anderson consents to the inclusion in the report of the matters based on his information in the form and context in which it appear.