

FOR IMMEDIATE RELEASE

12th February 2008

General Manager
The Company Announcements Office
Australian Stock Exchange

Dear Sir

CENTREX SUCCESSFUL IN SECURING \$100,000 IN PACE FUNDING FOR DRILLING OF STONY HILL

Highlights

- **Centrex Metals PACE Round 5 drilling proposal for its Stony Hill project in the Middleback Ranges has been approved for funding to the level of \$100,000**

EL3287 Stony Hill PACE Drilling

Centrex Metals is pleased to report it has received approval for funding to the level of **\$100,000** for drilling on the Company's Stony Hill tenement located in the western Middleback Ranges on the Eyre Peninsula, South Australia. This funding constitutes part of the South Australian Government's Plan For Accelerating Exploration (PACE) Initiative under Theme 2 – Drilling Collaboration between PIRSA and Industry.

EL3287 Stony Hill is one of five (5) tenements that Centrex Metals Limited holds that form a contiguous area of some 509 km² situated immediately west of OneSteel's operating iron ore mines.

Iron ore mining in the Middleback Ranges commenced in the late 1800s and since then has yielded some 200 million tonnes of high grade hematite, firstly for BHP and more recently, OneSteel. This region remains very prospective for additional discoveries of iron ore. EL3287 Stony Hill has substantial outcrop and sub-crop of the Palaeoproterozoic Hutchison Group that hosts the iron mineralization at both OneSteel's producing hematite and magnetite mines and Centrex's Wilgerup project near Lock on Central Eyre Peninsula.

The upcoming drill program will consist of an initial 25 reverse circulation drill holes designed to test a number of geophysical (aeromagnetic) anomalies interpreted as being areas of favorable structure for the development of hematite mineralisation. The drilling program will also address knowledge gaps in the State's geological information in regards to local stratigraphy, structural relationships and depth to basement.

Centrex has recently sourced an appropriate drill rig and experienced geological staff to work on the Stony Hill project and will commence the drilling by mid-March following completion of the Wilgerup project drill campaign.

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 Alastair Watts who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Watts is the Exploration Manager of Centrex Metals Limited. Mr Watts 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 Watts consents to the inclusion in the report of the matters based on his information in the form and context in which it appear.