

FOR IMMEDIATE RELEASE

6th March 2008

General Manager
The Company Announcements Office
Australian Stock Exchange

Dear Sir

EXCLUSIVE RIGHTS SECURED TO S.A. PORT FOR IRON ORE EXPORTS

Key Points:

- **Exclusive 100 year rights to export wharf facility at Proper Bay, Port Lincoln, SA**
- **Previously used by BHP for lime sand exports**
- **Now destined for iron ore shipments from its wholly owned Wilgerup project**
- **Existing and new infrastructure options**
- **The agreement significantly increase the prospect of the company commercialising its Wilgerup Iron Ore Deposit in the short term and enables the company to achieve the enviable position of having certainty of distribution**

The Board of iron ore developer, Centrex Metals Limited ("Centrex"), is pleased to announce that the Company has secured four (4) key agreements with Port Lincoln Proper Pty Ltd ('PLP') that will permit the re-development of the Proper Bay wharf facilities as a minerals exporting port for the Company's imminent Wilgerup hematite mine.

The facility is on the outskirts of Port Lincoln on South Australia's Eyre Peninsula and is separate to, and some 5 kilometres away from Port Lincoln's main town wharf.

The four agreements cover all aspects of the site and access to it. Port Lincoln Proper Pty Ltd is a private company which wholly owns the facility.

Centrex intends to develop Proper Bay into a multi-user minerals exporting port, primarily to handle shipments of hematite ore from its Wilgerup mine, but also to accommodate the growing number of minerals exporters on the southern Eyre Peninsula. The four agreements are as follows:

1. Lease Call Option effective immediately – this agreement gives Centrex an option to :-
 - a. Lease a portion of the land comprised in Certificates of Title Volume 5673 Folios 337 and 340 totalling 13.2 hectares for a term of 20 years, with consecutive 4 rights of renewal for further terms of 20 years each;
 - b. Sublease Perpetual Lease No 20297 in respect of the whole of the land in Crown Lease Volume 1578 Folio 28 for a term of 20 years, with consecutive 4 rights of renewal for further terms of 20 years each; and

- c. Sub-licence of an agreement entitled 'Licence of Water Area at Proper Bay' between South Australian Ports Corporation and the Landlord for a term of 25 years with a right of renewal for a further term of 25 years.

The Lease Call Option can be exercised on or before 31 December 2008, and if exercised, all 3 of the agreements contemplated above will immediately come into effect and be binding on the parties.

2. Lease Agreement – this Agreement gives Centrex an exclusive lease over 13.2 hectares of land covering the existing former BHP Coffin Bay rail tippler and lime sands storage shed and near surrounds for 20 years with the option to extend for four (4) further periods of 20 years each. Under the Agreement, Centrex can construct infrastructure and associated services, needed to facilitate the exporting of minerals, including roads, railway, storage and transport operations. The agreement significantly increases the prospect of the company commercialising its Wilgerup Iron Ore Deposit in the short term and enables the company to achieve the enviable position of having certainty of distribution. Centrex is required to pay an annual rental and royalty payment to PLP under the Agreement.
3. Perpetual Lease No. 20297 Crown Sub-Lease Agreement – this agreement covers the whole of the land comprised in Crown Lease Volume 1578 Folio 28 and permits Centrex to construct an access road across the Crown Lease to the operations area at Proper Bay.
4. Water Sub-Licence – this agreement covers the existing Proper Bay wharf and immediate water area and enables Centrex to refurbish the wharf and install associated infrastructure needed to facilitate the exporting of minerals.

Centrex is well advanced in the planning of this facility as part of its A\$1 million feasibility study covering the development of both the Wilgerup hematite deposit and the Proper Bay facility.

The study has defined the additional infrastructure required and the likely costs, including a large (nominal 160,000 tonne capacity) negatively pressured ore storage shed, a road loop and enclosed road train un-loader, enclosed conveyor systems, wharf upgrade and ship/barge loader. Environmental investigations have been undertaken to determine potential impacts on the ecosystem and the community of Port Lincoln. These investigations show that under current design and operational criteria that there is likely to be minimal impact in the area.

Centrex attended an informal workshop with the Port Lincoln City Council on 27 February 2008 and gained consensus support for the development of Proper Bay as a minerals exporting hub subject to a review of the detailed development proposal and all necessary permits and approvals being granted.

The Company is enthusiastic about the opportunities that the proposed Proper Bay development will bring not only for Centrex but for the broader mining industry operating on the lower Eyre Peninsula, and the regional economy as a whole. The mining industry needs such a facility in order to properly develop the mineral wealth of the region. Centrex believes that the multi-user facility will play a fundamental role in future investment in the region.

Centrex commenced the Mine and Rehabilitation Plan for the Wilgerup project in December 2007 and expects to submit the Plan to Government next month.

The agreements announced today are specifically related to the Wilgerup hematite project and separate to Centrex's involvement with other mining companies examining options for the development of an additional bulk commodities port facility north of Whyalla which may be utilised for other Centrex projects.

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