



CENTREX METALS
LIMITED

ABN: 97 096 298 752
Level 3, 100 Pirie Street Adelaide SA 5000
Ph: +61 8 8232 0400 Fax: +61 8 8232 0500
Website: centrexmetals.com.au

FOR IMMEDIATE RELEASE

17th September 2008

General Manager
The Company Announcements Office
Australian Securities Exchange

Dear Sir/Madam,

**Purchase Of Land Covering the Company's
Wilgerup Hematite Project**

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- **Centrex Metals Limited (“the Company”) has purchased Kamballa Station, which covers the entirety of the Company’s Wilgerup hematite project.**
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The Company is pleased to advise it has purchased Kamballa Station, 20km south east of Lock on the Eyre Peninsula, which covers the entirety of the Wilgerup Hematite project. The freehold land is 840.9 hectares (2,077.91 acres) and is currently used for farming.

The purchase is an important step for the Company as it transitions from explorer to producer. The company is currently preparing the Mine Lease Proposal documentation for submission to PIRSA, as a precursor for mining approval.

The Company recently announced (17th August 2008) an upgrade of the Indicated mineral resource at Wilgerup from 8.0Mt to 13.2Mt. The Wilgerup tenement remains highly prospective for additional DSO hematite. The resource definition drilling over the previous year has focused on proving up the Wilgerup North Hematite Pod with only minimal exploration being undertaken within the regional tenement area. Future exploration drilling has now been freed up to target the residual gravity anomalies and follow up on previous drilling intercepts of banded iron formation. In addition a total of 13 drill holes were drilled into the Wilgerup South Hematite Pod in late 2007, most of which intersected a broad low grade zone of hematite clay mineralisation. Centrex is confident that further drilling of geophysical targets and the Wilgerup South Hematite Pod will establish an alternative feed source to compliment the main Wilgerup North Hematite Pod.

The Wilgerup North Pod has a Probable Reserve of 7.6 Mt was based on the previous resource estimate (8.0 Mt Indicated Resource). With the Indicated Resource increase to 13.2 Mt it is therefore reasonable to expect an increase in the Probable Reserve when final pit design is completed.



For further information:

Gerard Anderson
Managing Director
Centrex Metals Limited
(08) 8232 0400

or

Duncan Gordon
Investor Relations
Centrex Metals Limited
Ph. 0404 006 444

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.