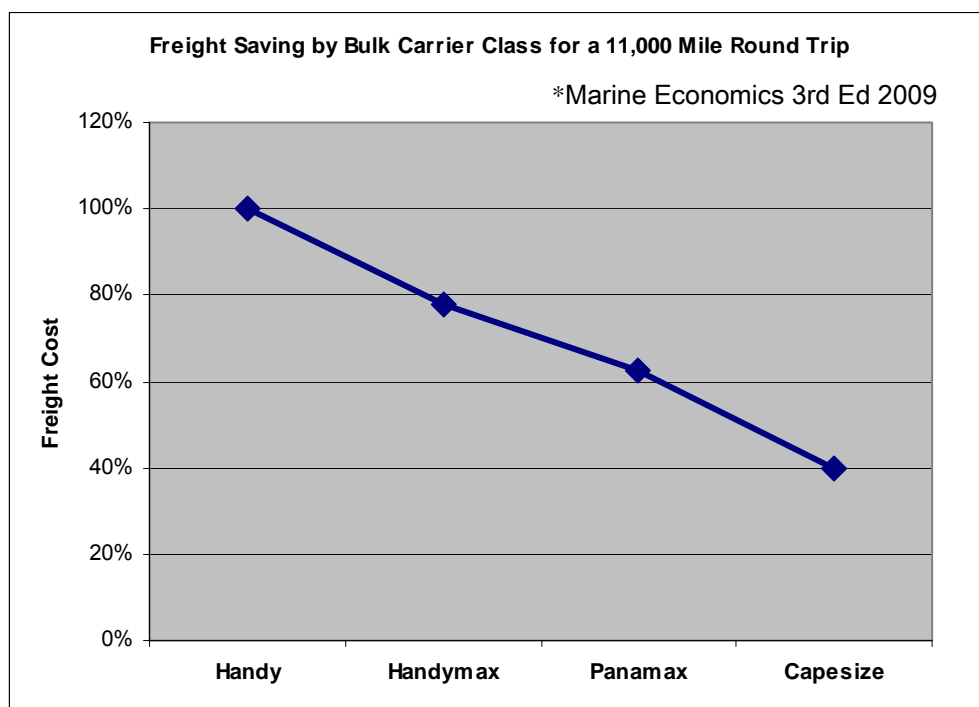


GLOBAL SHIPPING TERMINOLOGY

Ballast	Sea water pumped into carefully located tanks when the ship is not carrying cargo to lower the ship in the water so make sure the propeller is submerged
Berth	Designated area of the quay where the ship arrives alongside to be loaded or unloaded
Bulk Carrier	Single-deck ship that carries dry cargoes such as ore
Capesize	Bulk carrier too wide for the Panama Canal usually 100,000dwt to 220,000dwt
Draft	Vertical distance between waterline and bottom of ships hull
Deadweight (dwt)	The weight a ship can carry when loaded to its marks
Handy	Bulk carrier less than 40,000dwt
Handymax	Bulk carrier typically up to 40,000dwt to 60,000dwt
Panamax	Bulk carrier which can pass through the Panama Canal usually 60,000dwt to 100,000dwt

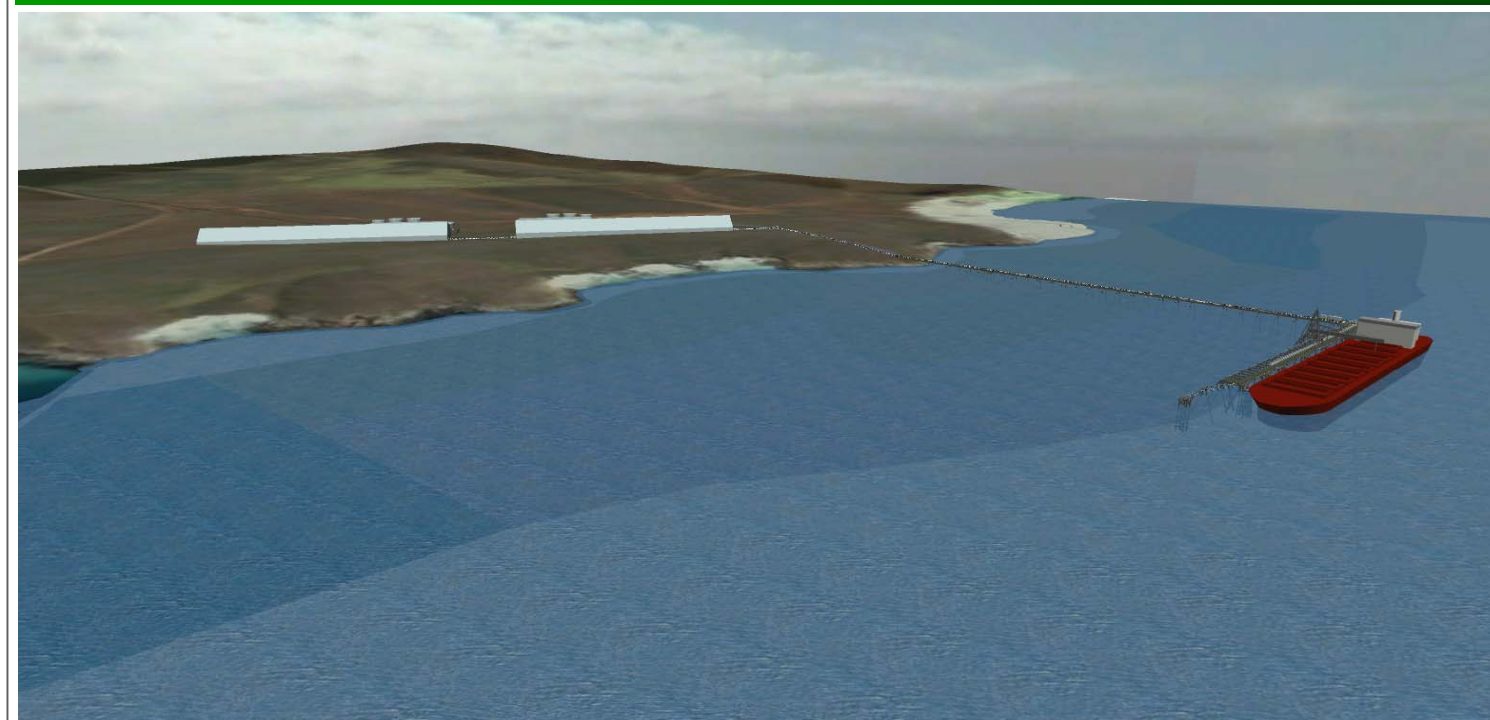


(left) Graph showing cost savings by using larger vessels, (above) Picture of drafts marks on vessel



Sep 2009

A NEW EXPORT HUB, A NEW OPPORTUNITY FOR INDUSTRY GROWTH ON THE EP

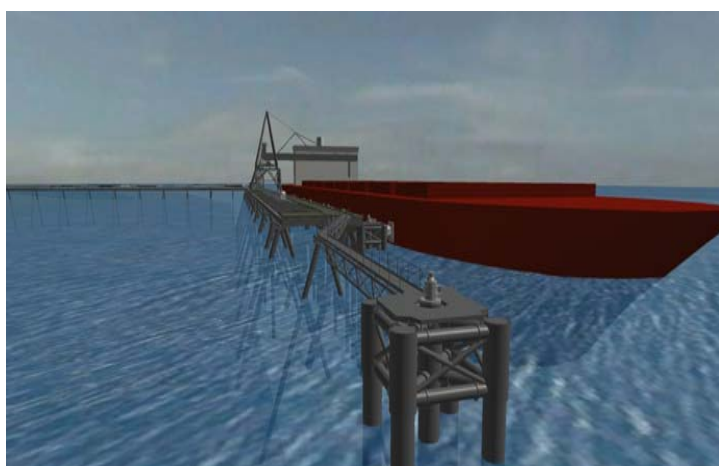


Off-shore view of the concept design of the Sheep Hill Export Facility on the Eyre Peninsula. A deep water loading facility capable of loading >200,000t ships (foreground) and initial storage capacity for 10 million tonnes per annum of bulk commodities (background).

Concept engineering design studies were completed for the proposed Sheep Hill Export Facility north of Tumby Bay by Centrex in June 2009. URS and GRD Minproc, two leading engineering groups were contracted by Centrex to design optimal off-shore and on-shore (respectively) infrastructure to export bulk commodities in Capesize (~200,000t) vessels from the facility, given the wave, wind, environmental and geotechnical data already collected for the project.

The initial concept design recommended the construction of a 500m jetty out to 20m depth of water with a shiploader capable of up achieving loading rates of 4,500 tonnes per hour. This design allows for up to 20 million tonnes a year of bulk exports. Initial on-shore storage sheds for ore were designed to handle Centrex's Carrow and Bungalow Magnetite Projects with a combined annual output of 10 million tonnes of iron ore concentrate. The proposed storage sheds would be able to hold around 500,000t of iron ore. This ore would be piped from the mines as a slurry and then dewatered at the port with the water returned to the mines via a return pipeline.

Cost estimates for the jetty, wharf, conveyors and shiploader were estimated to be around \$95 million to construct making the facility a very cost effective option for bulk commodity exports on the Southern Eyre Peninsula.



3D model view of the concept wharf design at Sheep Hill with a Cape class ship at berth being loaded.

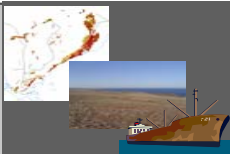
WE APPRECIATE YOUR FEEDBACK

If you have any comments or feedback regarding the project please send written responses to "Sheep Hill Port Project" either by mail or online to:

Level 3, 100 Pirie Street, Adelaide SA 5000

or

reception@centrexmetals.com.au



THE NEXT STEPS... FURTHER ANALYSIS OF SITE CONDITIONS



(left) Acoustic doppler current profiler used to measure wave and current patterns, (right) weather station at Wilgerup Project near Lock.

The next stage in the design of the Sheep Hill Port will be to undertake a Pre-Feasibility Engineering Study to refine the best options for items such as jetty and wharf alignment.

To commence this study a number of further data inputs are required to be able to make an informed decision as to the best way to construct the port. For this reason Centrex will be undertaking three activities over the remainder of 2009 to provide detailed data of the Sheep Hill site off-shore conditions. These activities are;

- The installation of a weather station at the port site to collect local climate data that will in particular provide a good idea of the prevailing wind conditions in the area
- Deployment of a wave and current monitoring device off-shore to identify extreme wave and current conditions to help decide the best alignment for the jetty
- An off-shore seismic survey to determine the depth of sand cover of the sea floor around the port site to help design pylon construction

These activities will provide a very clear picture of just what conditions at the port and outline conditions that ships will face during operations so that the design incorporates these site specific factors.

The studies will take approximately 6 months to complete. Centrex plans to use this information, the resultant Pre-Feasibility Engineering Study and the baseline studies completed to date to allow the completion of a development application for the project to be submitted in mid-2010.

MEET THE TEAM



GERARD ANDERSON
Managing Director

Gerard is a geologist with over 35 years experience in exploration and mine geology. Gerard also has business qualifications including a Masters of Mineral Economics and a Graduate Diploma of Business. He has held senior mine management positions including the General Manager of the Golden Grove Mine in Western Australia and the Managing Director of Croesus Mining.

Gerard will hold a seat on the Board of the proposed new port facility and he brings a wealth of management experience and guidance to the Sheep Hill Project with his current and previous experience on corporate boards.



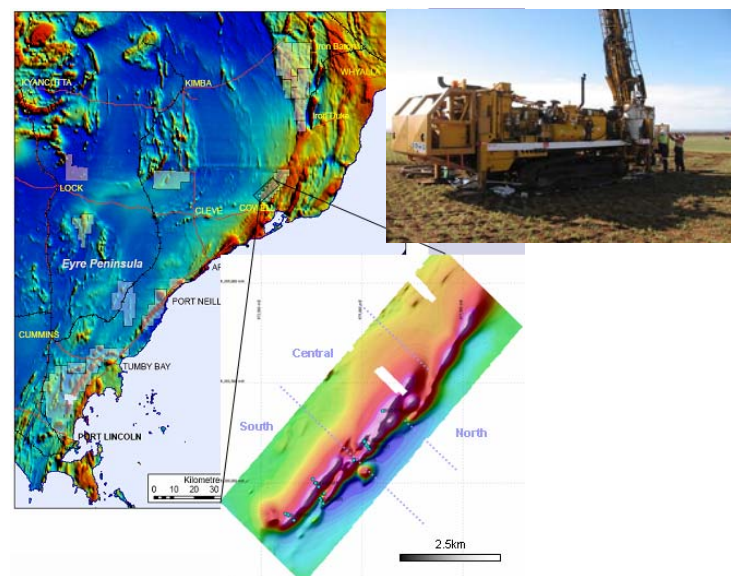
CENTREX AND BAOTOU IRON SIGN BUNGALOW JOINT VENTURE AGREEMENTS

Centrex and Baotou Iron & Steel (Baotou) signed the formal transaction documents for the Bungalow Joint Venture on the 27th of August 2009. The Joint Venture covers EL3610 approximately 8km NW of Cowell on the Eyre Peninsula. In the documents Baotou have agreed to staged exploration expenditure up to \$40 million on the tenement to complete a Bankable Feasibility Study for a new magnetite iron ore project.

Centrex recently completed a 5,196m drilling program at Bungalow in 2009 with results further reinforcing the Company's current exploration target of 127-417 million tonnes of iron ore for the project. Preliminary metallurgical test work for the ore completed by GRD Minproc, showed favourable grinding properties (12.7 BBWI) compared to many Western Australian magnetite projects meaning Bungalow will require less power to grind the ore for processing.

Davis tube recovery (DTR) work for the drilling to date has shown very high concentrate grades of;

- 70.2% Fe, 2.7% SiO₂, 34.6% recovery (@ >20% DTR cut-off)



Magnetic map of the Eyre Peninsula, with enlarged magnetic image of Bungalow. Drill rig in operation at Bungalow also shown.



Centrex Metals Chairman David Lindh (right) shakes hands with Baotou Iron & Steel Chairman Si Yongtao in Baotou City, China

The Bungalow Magnetite Project is nearing completion of a Scoping Study and has already finished a concept environmental study that was completed by Golder Associates, to determine the major environmental factors to consider and evaluate for the project going forward. The results indicated that the main considerations would be around;

- Minimisation of dust during construction and mining
- Noise management from construction and operations
- Surface water run-off management during flash floods in the area
- Mine waste rock disposal

Next steps to close out the Scoping Study will be further diamond drilling and metallurgical test work followed by preliminary processing plant and mine designs. Baotou will contribute \$8 million towards this work. If the Scoping Study is successful then a Pre-Feasibility Study will commence with a further \$8 million to be contributed by Baotou.

At the same time as signing of the Bungalow Joint Venture Centrex and Baotou also signed an off-take sales contract for 600,000 tonnes of hematite ore per year for 5 years from the Wilgerup Mine Project near Lock.