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For Immediate Release
Wednesday 12 March 2008

General Manager
The Company Announcements Office
Australian Securities Exchange
Electronic Lodgment System

Dear Sir/Madam

INTERIM FINANCIAL REPORT 2007

Please find attached the Interim Financial Report for the six months ended 31 December 2007

For further information, please contact Vicky Allinson on 08 8232 0400.

Vicky Allinson
Company Secretary
Centrex Metals Limited

CENTREX METALS LTD

A.B.N. 97 096 298 752

INTERIM FINANCIAL REPORT

31 DECEMBER 2007

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Directors' Report

For the six months ended 31st December 2007

The directors present their report together with the consolidated financial report for the half-year ended 31 December 2007 and the review report thereon.

Directors

The directors of the Company at any time during or since the end of the half-year are:

Name	Period of directorship
Non-executive	
Mr David J Lindh (Chairman)	Appointed 23 March 2001
Mr Norton Jackson (Non-Executive Director)	Appointed 23 March 2001
Mr David Klingberg (Non-Executive Director)	Appointed 19 April 2005
Executive	
Mr Gerard Anderson	Appointed 11 April 2006

Review of operations

1.) Corporate Activities

Centrex Metals Limited ("Centrex")

The Company had 217,480,899 shares and 56,065,858 2008 A Class Options on issue at 31 December 2007. During the half-year members exercised 1,217,198 options. In addition the Company announced a Renounceable Rights Issue (see subsequent events for further details).

2.) Exploration Activities

Most activities for the Company during the period related to exploration drilling activities on EL3317 Wilgerup area.

Directors' Report (continued)

For the six months ended 31st December 2007

Review of operations (continued)

EL 3317 Wilgerup Area

Highlights:

- Wilgerup Hematite Reserve completed by Snowden Mining Consultants

Wilgerup North Hematite Pod Ore Reserve Estimate (55% Fe cut-off grade, 7 August 2007)								
Ore Reserve Classification	Tonnes (million)	% Fe	% SiO_2	% Al_2O_3	% LOI	% P	% CaO	% Mn
Proved	Nil							
Probable	7.6	59.9	3.3	2.3	4.9	0.46	1.4	0.7
Total	7.6	59.9	3.3	2.3	4.9	0.46	1.4	0.7

- The Reserve Estimate of 7.6Mt is based on an Indicated Resource of 8.0Mt.
- Completion of a further 57 reverse circulation drill holes at Wilgerup for 5,148 metres increasing confidence in the resource estimate.

Appointed Sinclair Knight Mertz to conduct an engineering pre-feasibility study of port options and Environment and Permitting Studies for the Wilgerup Feasibility Study.

Most activities for the Company during the reporting period related to resource infill and regional exploration drilling on the companies EL 3317 Wilgerup tenement. The following activities have been conducted by or on behalf of the Company:

Wilgerup Infill Resource and Regional Exploration Drilling

Reverse circulation drilling occurred in two campaigns. The first campaign was in progress at the start of the period and 41 reverse circulation drill holes totalling 3,788m were drilled between 1 July 2007 and 31st August 2007 when rig failure precluded further drilling. The first campaign involved infill drilling of the North Pod Resource and exploration drilling of 4 Residual Gravity Targets within the wider Wilgerup tenement.

The second campaign commenced on 21 November 2007 and by the end of the period, 16 reverse circulation drill holes had been completed for an additional 1,360m. The drilling covered infill drilling of the North Hematite Pod and exploration drilling of the South Pod.

Whilst the 9 holes testing the Residual Gravity Targets did not intersect hematite they did intersect magnetite-rich dolomite that may represent a skarn protore to hematite mineralisation seen in the North Pod.

Infill drilling of the North Pod Resource continued with results confirming a robust resource with strong continuity of mineralisation. The North Pod Resource remains open to the East and at depth in the North.

The significant hematite intersections from the North Pod recorded during the period were:

Directors' Report (continued)

For the six months ended 31st December 2007

Review of operations (continued)

DrillHole	From	To	Interval (m)	Fe%	SiO_2%	Al_2O_3%	P%
W6R131	36	66	30	60.60	5.00	2.00	0.390
W6R132	38	52	14	56.90	5.40	4.40	0.416
W6R133	34	46	12	61.00	3.20	2.00	0.099
	52	55	3	62.00	3.80	3.00	0.075
	60	63	3	59.80	11.10	1.30	0.076
W6R134	57	69	12	60.90	5.20	2.30	0.082
W6R136	42	46	4	62.50	2.60	1.40	0.055
W6R138	26	41	15	57.30	6.50	3.80	0.184
W6R139	30	36	6	61.20	3.00	2.30	0.091
W6R142	25	48	23	59.90	1.80	1.80	0.534
W6R144	49	72	23	65.50	2.20	1.40	0.057
W6R145	56	74	18	60.20	4.60	2.30	0.135
W6R146	67	76	9	62.18	4.09	2.47	0.160
W6R147	80	92	12	60.04	4.43	1.89	0.112
W6R148	36	58	22	60.86	3.18	1.94	0.672
W6R149	28	74	46	60.32	2.76	2.36	0.488
W6R150	54	102	48	57.44	5.65	3.79	0.120
W6R151	78	90	12	60.03	4.39	2.77	0.105
W6R154	30	58	28	62.32	2.39	1.64	0.788
W6R155	36	124	88	61.60	1.63	1.52	0.610
	70	84	14	64.99	0.90	0.90	0.532
	100	124	24	66.10	1.65	1.17	0.211
W6R156	60	120	60	59.30	4.56	3.34	0.130
W6R157	100	114	14	59.24	5.41	2.94	0.102
W6R159	25	50	25	57.92	5.13	3.23	0.597
W6R160	86	138	52	56.83	4.88	2.85	0.184
W6R161	25	73	48	59.54	2.46	1.62	1.186
W6R162	30	68	38	59.97	1.65	1.44	0.792
W6R163	42	78	36	58.77	3.99	3.20	0.147
W6R167	24	50	26	62.89	2.28	1.13	0.519
W6R168	70	109	38	57.76	4.39	3.06	0.785
W6R169	112	130	18	59.20	3.16	1.82	1.246
W6R172	30	48	18	64.64	3.66	1.36	0.077
W6R178	34	58	24	59.91	3.63	2.75	0.694
W6R181	34	52	18	61.19	3.48	2.12	0.404

Directors' Report (continued)

For the six months ended 31st December 2007

Review of operations (continued)

Underdale Drillers commenced drilling at Wilgerup on the 21st November, 2007. Sixteen (16) holes for a total of 1,360 metres were drilled for the period. The drilling covered infill drilling of the North Hematite Pod and exploration drilling of the South Pod.

Infill drilling during the period targeted areas previously classified as Inferred massive hematite in order to permit the estimation of at least Indicated Resources.

The North Hematite Pod remains open to the east and to the north at depth. The infill drilling is designed to close the drill spacing to a 40m by 20m pattern to support a JORC Indicated and Measured Resource to be used as a basis for the project's feasibility study.

A review of the South Pod was undertaken during the period with the subsequent drilling of 13 reverse circulation and air core holes for a total 1,020 metres. Assay results from the first 6 holes have confirmed the presence of hematite mineralisation. The mineralisation is contained within a broad low grade zone of up to 40m down hole thickness which comprises a mix of massive hematite, hematite clay and hematised banded iron formation. The South Hematite Pod results were encouraging and indicate that the South Pod presents a potential blending option with the higher grade North Hematite Pod and/or as a possible source of material for beneficiation.

The South Pod results will now be reviewed for follow up drilling and beneficiation options.

A summary of the more significant down hole intercepts are tabulated below:

DrillHole ID	Depth From	Depth To	Interval (m)	Fe	SiO2	Al2O3	P
W6R194	46	64	18	43.67	10.94	8.68	0.103
W6R194	78	87	9	51.51	15.13	4.06	0.106
W6R197	65	72	7	43.77	17.39	6.01	0.160
W6R197	80	88	8	53.60	10.93	6.39	0.082
W6R197	94	104	10	55.26	10.46	3.08	0.121
W6R198	80	96	16	45.35	12.91	5.91	0.098
W6R199	34	64	20	46.70	12.46	9.08	0.142
W6R199	70	76	6	49.20	16.65	5.85	0.115
W6R200	18	50	32	48.83	14.44	9.42	0.106
W6R200	58	62	4	53.45	7.76	2.36	0.051
W6R202	52	58	6	49.43	5.52	2.02	0.126

EL 3317 Wilgerup Geotechnical and Hydrological Studies.

A geotechnical project scope was prepared for the Wilgerup North Hematite Pod feasibility study. Five (5) holes for a total of 800 metres of HQ3 diamond drilling have been designed to identify the main structural features for pit slope analysis. Geotechnical consultants Coffey Mining Pty Ltd were appointed to conduct the study and John Nitschke Drilling Pty Ltd has been contracted to undertake the drilling.

A hydrological project scope was prepared for the Wilgerup feasibility study and Sinclair Knight Mertz appointed to undertake the study. Detailed planning and appropriate licensing was conducted during the period.

Directors' Report

For the six months ended 31st December 2007

Review of operations (continued)

EL 3610 Bungalow/Minbrie Magnetite Deposit

Centrex Metals Limited signed a binding Joint Venture Heads of Agreement with Baotou Iron & Steel Co. Ltd ("Baotou") on 22nd September 2007 covering the Bungalow / Minbrie magnetite deposit. The Joint Venture requires Baotou to make up to A$40 million in staged payments to cover the costs of all activities required to complete exploration and resource drilling and a Bankable Feasibility Study covering development of the magnetite deposit. By contributing A$40 million, Baotou will earn a 50% interest in the Joint Venture and have the right to take 50% of the expected 3 million tonnes of magnetite concentrate produced per year over a potential mine life exceeding 30 years.

The binding Heads of Agreement includes the following:

Stage 1 Program – Baotou will transfer A$4 million to Centrex' Bungalow Joint Venture Account to enable Centrex to commence further exploration drilling on the magnetite deposit. Within 3 months of commencing drilling Baotou will transfer an additional A$4 million into the Account to cover the costs of continued drilling and complete other studies required to evaluate the development of the deposit. Following Stage 1, which is expected to take 12 months to complete, Baotou will then have earned a 10% interest in the Joint Venture.

Stage 2 Program – Baotou will transfer a further A$8 million to Centrex' Bungalow Joint Venture Account to enable Centrex to undertake further exploration drilling on the magnetite deposit and to complete a pre-feasibility study covering the development of the deposit. Stage 2 is expected to take approximately 12 months to complete. Following Stage 2 Baotou will then have earned a further 10% interest in the Joint Venture.

Stage 3 Program – If Baotou enters Stage 3 of the Joint Venture, a Joint Venture Company will be established to complete Stage 3 of the Joint Venture and manage mining operations. Baotou will provide the Joint Venture Company with A$24 million to cover the costs to complete a Bankable Feasibility Study covering development of a 3Mtpa magnetite concentrate operation. Should the total cost to complete a Bankable Feasibility Study exceed A$40 million, Centrex and Baotou will contribute further funds in equal proportion. Following receipt of the A$24 million into the CXM Joint Venture Account, Baotou will then be deemed to have earned a 50% interest in the Joint Venture.

The Heads of Agreement signed by Baotou's General Manager is subject to Baotou receiving all necessary Chinese government consents and approvals to enable it to invest into the Joint Venture. These consents are expected to be received by late March 2008.

It is anticipated that the detailed Farmin Agreement, Joint Venture Agreement and Management Agreement will be finalised and available for execution by the parties in Adelaide in March 2008.

Baotou has made significant progress towards receiving the consents and approvals. Centrex announced in early January that a key approval step required for Baotou to invest in the Bungalow Magnetite Joint Venture had been achieved with the government of Inner Mongolia issuing approval to invest in Stage 1 of the Joint Venture through the National Asset Committee.

Baotou has commenced the second stage of approvals which requires authorisation from the Chinese government, specifically from the National Administration of Foreign Exchange of the People's Republic of China, for project permitting and funds then the Ministry of Commerce for approvals to set up an Australian subsidiary.

Directors' Report

For the six months ended 31st December 2007

Review of operations (continued)

EL 3610 Bungalow/Minbrie Magnetite Deposit (continued)

Centrex has commenced detailed planning in advance of receipt of funds. Key milestones achieved include:

- Appointment of Ben Hammond to the position of Senior Project Geologist for the Bungalow Joint Venture on the 3rd of December. Ben joins the company from his previous project management position at Illawarra Coal. Ben also has a number of years experience in BHP Billiton's Pilbara Iron Ore operations, having held both geology and project management roles right throughout the mine to port supply chain.

- Recruitment for Exploration Geologists to work on the JV also commenced in December, with a number of high calibre candidates approached. These positions were finalised in January 2008.

- Detailed project schedules and cash flow models were completed for Stage 1 of the Bungalow Joint Venture.

- John Nitschke Drilling Pty Ltd was awarded the 19,500 metre drill contract. Drilling is planned to commence in late March 2008.

- Centrex presented to the Franklin Harbour Council on the 12th of December to update them on the project's progress, to aid in the formation of the Council's long-term development plans for the community. Relevant landowners to the JV project were updated in separate sessions.

- Centrex formed an agreement for the construction of core farm facilities in the Cowell light industrial area in December. These facilities are due for completion in the third week of March 2008, in time for the commencement of drilling operations.

- Previous Bungalow drilling results showed an average intercept grade of 38.02% DTS @ 67.66% at a cut-off grade of 20% DTS. These results were derived using a suggested industry standard grind size of 75µm. Despite these positive initial results, to further enhance quality control of results for the upcoming drilling programs, Engenium Pty Ltd, a specialist in magnetite deposits, was appointed in December 2007 to develop standardised magnetite recovery testing procedures specific to the Bungalow/Minbrie Deposit.

EL3287 Stony Hill Area

Ground reconnaissance for potential drill sites was undertaken on tenement EL 3287 Stony Hill in the West Middleback Ranges.

3) Development Activities

No development activities were conducted on the Company's tenements during the reporting period.

Sinclair Knight Mertz was appointed by Centrex on the 7th September 2007 to undertake an Engineering Pre-feasibility Study of potential port sites. Included in the scope of the study was a comparison of the capital and operating costs and benefits associated with the exporting of hematite from port facilities available at either Port Lincoln or Proper Bay. In addition, Environmental and Permitting Studies required to take the Wilgerup mine development into operation will also be completed.

Directors' Report

For the six months ended 31st December 2007

Review of operations (continued)

3) Development Activities (continued)

Work completed during the period included:

Wilgerup Mine site
- MARP process commenced in December 2007.
- Baseline flora and fauna investigations. The area classified as "highly degraded" with no significant flora or fauna species identified.
- Dust and noise modelling.
- Planning and preparation to undertake mine dewatering and geotechnical assessment.
- Preliminary investigation on water supply.
- Continuation of the community consultation process.
- Road and rail siding study.

Sinclair Knight Mertz commenced the risk assessment phase of the Mine and Rehabilitation Plan (MARP) in January 2008, as did the geotechnical drilling and detailed groundwater assessments. Centrex expects to submit a draft MARP by late April 2008.

Sinclair Knight Mertz continued the Engineering Pre-feasibility of the various port options; Port Lincoln, Proper Bay and Whyalla. Work completed included:

Port Lincoln
- PFS engineering design completed (shed, train un-loader, conveyors and ship loader).
- G&WA identified opportunities to increase port train layout and reduce potential impact on vehicular traffic.
- Noise/dust modelling.
- Seismic profiling of Berth 9 sheet-piling.

Proper Bay
- PFS engineering design completed (shed, wharf upgrade, vessel loader and train un-loader).
- Terrestrial and marine flora and fauna investigations.
- Noise/dust modelling.
- Wharf structure assessment.
- Geotechnical investigation completed.

Whyalla
- Non binding MoU with Onesteel.
- PFS engineering design being finalised.
- Area of interest is the disused southern wharf of the Inner Harbour which permits direct truck access and minimal interaction with Onesteel's operations.
- Transport study completed.
- Preliminary route assessment completed.
- Whyalla Council supportive of new industry.

A detailed engineering and assessment of Whyalla footprint was forwarded to Onesteel for review. Centrex announced on the 4th February that it had received correspondence from Onesteel which stated that it *"is evaluating its current and future requirements* (with respect to the Whyalla Port Infrastructure) *and it is anticipated that this process will take some time."* Onesteel went on to say that *"…it will not be undertaking any further activity or discussions under the current MOU until the above processes are fully, or at least largely, complete."*

In light of the Onesteel statement, Centrex have assumed that Whyalla is unlikely to be available as a port option in the short/medium term. The company will continue to monitor proceedings as part of the evaluation of port facilities for other Centrex projects.

Directors' Report

For the six months ended 31st December 2007

Review of operations (continued)

4.) Covenants

The mineral tenements currently held 100% by the consolidated entity and available for mineral exploration are listed below. Centrex Metals Limited applied to renew the two Amalgamated Expenditure Agreements, the Northern Amalgamated Expenditure Agreement and the Southern Amalgamated Expenditure Agreement. Two tenements Lock EL 3401 and Cockabidnie EL 3609 were excluded from the Agreements. The annual spend covenants to maintain exploration rights are as follows:

Northern Amalgamated Expenditure Agreement	**Covenants**
	$
Kimba Gap EL 3018; Ironstone Hut EL 3048; Whyalla EL 3125, Stony Hill EL 3287; Gilles Downs EL 3375 and Bungalow EL3610 (formerly EL 2817).	$315,000
Southern Amalgamated Expenditure Agreement	
Carrow EL 2887; Mount Hill EL 2905; Wanilla EL 3269; Wilgerup EL 3317; Dutton Bay EL 3421 and Greenpatch EL 3611 (formerly EL 2816).	$510,000
Individual Tenements	
Cockabidnie EL 3609 (formerly EL 2815)	$50,000
Lock EL 3401	$75,000
Total Covenants	**$950,000**

The covenant may be subject to renegotiation, be farmed out or may be relinquished and have not been provided for the financial statements.

The consolidated entity proposes to continue exploration of its tenements during the coming year with the aim of increasing the consolidated entity's resource base of iron ore.

The directors have assessed the status of all of the consolidated entity's tenements and believe all tenements have sufficient remaining mineral potential to warrant continued exploration. Tenement exploration will continue to be prioritised aimed to maximise the benefit to be received from exploration.

5.) Subsequent Events

Renouncable Rights Issue

On the 4th December 2007, Centrex Metals Limited announced a Pro-rata Renounceable Rights issue to all registered shareholders as at 31 December 2007. The 1 for 5 issue (one share for every five existing shares) was made at 40 cents per share with the intention of raising A$17.4M to help fund the development of the Wilgerup project.

While the offer was originally intended to close in early February, on the 7th February 2008 the closing date for receipt of acceptances was extended to the 7th March 2008. Share market volatility experienced by all sectors listed on the ASX had the effect of causing minimal initial take up of the offer, which prompted the extension. Final acceptances have resulted in the issue of 450,401 new shares, raising $180,160 .

Under the terms of the issue, the directors have the authority to make a private placement of the shortfall.

Proper Bay Announcement

On the 6th March 2008, Centrex Metals Limited announced that it had secured the rights to the Proper Bay wharf facility at Port Lincoln, South Australia. The key points relating to the announcement are as follows:

- The agreement is between Centrex Metals Limited and the owner of the land, Port Lincoln Proper Pty Ltd.
- Exclusive 100 year right to the facility. Initial 20 (twenty) year lease with 4 (four) rights of renewal; each for a further 20 (twenty) year term.
- Wharf facility was previously used by BHP for the export of lime sands.
- Centrex intends to develop Proper Bay into a multi user exporting port, primarily to handle hematite ore from Wilgerup, but also to accommodate the growing number of minerals exporters on the Eyre Peninsula.

Directors' Report

For the six months ended 31st December 2007

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

The lead auditor's independence declaration is set out on page 25 and forms part of the directors' report for the half year ended 31 December 2007.

Dated at Adelaide this 11 March 2008.

Signed in accordance with a resolution of the directors:

Mr David Lindh
Chairman

Mr Gerard Anderson
Managing Director

Consolidated Interim Income Statement

For the six months ended 31 December 2007

	Note	31 December 2007 $	31 December 2006 $
Interest income		233,340	288,569
Exploration expenses written off		-	168
Office and administration expenses		163,789	94,733
Consultants and management expenses		24,000	26,629
Directors fees		94,975	90,378
Employee benefit expenses		207,916	265,644
Depreciation expense		12,789	9,961
Finance costs – loan interest		-	1,343
Other expenses from ordinary activities		90,344	29,085
Loss from continuing operations before related income tax expense		**360,473**	**229,372**
Income tax expense	8	-	-
Net loss attributable to members of the parent entity		**360,473**	**229,372**

Loss per share attributable to the ordinary equity holders of the company:	Cents per share	Cents per share
Basic loss per share from continuing operations in cents	(0.1666)	(0.2203)
Diluted loss per share from continuing operations in cents	(0.1666)	(0.2203)

The income statement is to be read in conjunction with the notes to the consolidated interim financial report.

Consolidated Interim Statement of Recognised Income and Expense

For the six months ended 31 December 2007

	Note	31 December 2007	31 December 2006
Income and expense recognised directly in equity		-	-
Loss for the period		(360,473)	(229,372)
Total recognised income and (expense) for the period		(360,473)	(229,372)
Attributable to:			
Shareholders of the Company		(360,473)	(229,372)
Minority interest		-	-
Total recognised income and (expense) for the period		(360,473)	(229,372)

The statement of recognised income and expense is to be read in conjunction with the notes to the consolidated interim financial report.

Consolidated Interim Balance Sheet

As at 31 December 2007

	Note	31 December 2007	30 June 2007
Current assets			
Cash and cash equivalents		5,701,761	7,908,336
Current tax asset		-	80,211
Other receivables		229,589	179,738
Total current assets		5,931,350	8,168,285
Non-current assets			
Mining Tenements –at cost	9	5,079,836	3,093,401
Plant and equipment	10	63,493	73,636
Total non-current assets		5,143,329	3,167,037
Total assets		11,074,679	11,335,322
Current liabilities			
Trade and other payables		187,282	330,892
Employee benefits		40,973	40,973
Total current liabilities		228,255	371,865
Total liabilities		228,255	371,865
Net assets/(liabilities)		10,846,424	10,963,457
Equity			
Issued capital		12,529,678	12,286,238
Share options issued		137,318	137,318
Accumulated losses		(1,820,572)	(1,460,099)
Total equity attributable to equity holders of the parent	11	10,846,424	10,963,457

The balance sheet is to be read in conjunction with the notes to the consolidated interim financial report.

Consolidated Interim Statement of Cash Flows

For the six months ended 31 December 2007

	Note	31 December 2007 $	31 December 2006 $
Cash flows from operating activities			
Cash receipts from customers		-	-
Cash paid to suppliers and employees		(895,936)	(984,205)
GST received		163,642	110,301
Income tax refund/(paid)		80,211	
Interest paid		-	(14,729)
Net cash (used in) from operating activities		(652,083)	(888,633)
Cash flows from investing activities			
Expenditure on mining tenements		(2,043,501)	(1,356,649)
Interest received		245,215	209,127
Acquisition of plant and equipment	10	(2,646)	(75,314)
Net cash (used in) investing activities		(1,800,932)	(1,222,836)
Cash flows from financing activities			
Proceeds from the issue of share capital	11	246,440	12,532,086
Payment of issue of share capital costs	11	-	(777,247)
Repayment of borrowings	12		(288,112)
Net cash from (used in) financing activities		246,440	11,466,727
Net (decrease)/increase in cash and cash equivalents		(2,206,575)	9,355,258
Cash and cash equivalents at the beginning of the half year		7,908,336	17,775
Cash and cash equivalents at the end of the half year		5,701,761	9,373,033

The statement of cash flows is to be read in conjunction with the notes to the consolidated interim financial report.

Condensed Notes to the Consolidated Interim Financial Report

For the six months ended 31 December 2007

1. Reporting entity

Centrex Metals Limited (the "Company") is a company domiciled in Australia. The consolidated interim financial report of the Company as at and for the six months ended 31 December 2007 comprises the Company and its subsidiary (together referred to as the "consolidated entity").

The consolidated annual financial report of the consolidated entity as at and for the year ended 30 June 2007 is available upon request from the Company's registered office at Level 3, 100 Pirie Street, Adelaide SA 5000 or at www.centrexmetals.com.au.

2. Going concern

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The consolidated result for the half year ended 31 December 2007 was a net loss of $360,473 (December 2006: $229,372) and the Group has a net assets of $10,846,424 (June 2007: net assets of $10,963,457).

The Group's primary focus continues to be mineral exploration on the tenements to which it holds rights. The company listed on 17 July 2006 raising $8,152,086, and cash and cash equivalents at 31 December 2007 was $5,701,761.

Management is giving consideration to the following options to raise additional funds: a private share placement; the exercise of existing 2008 A Class options; and, the finalisation of the joint venture agreement. As a result the Directors believe that the Group is a going concern and will continue to pay its debts as and when they fall due.

3. Statement of compliance

The consolidated interim financial report does not include all of the information required for a full annual financial report, and should be read in conjunction with the consolidated annual financial report of the consolidated entity as at and for the year ended 30 June 2007.

This consolidated interim financial report was approved by the Board of Directors on 11 March 2008.

4. Significant accounting policies

The accounting policies applied by the consolidated entity in this consolidated financial report are the same as those applied by the consolidated entity in its consolidated financial report as at and for the year ended 30 June 2007.

5. Estimates

The preparation of the interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this consolidated interim financial report, the significant judgements made by management in applying the consolidated entity's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report as at and for the year ended 30 June 2007.

6. Financial risk management

The consolidated entity's financial risk management objectives and policies are consistent with that disclosed in the consolidated financial report as at and for the year ended 30 June 2007.

7. Segmental reporting

The Company operates in one business segment: iron ore exploration and one geographical segment: Australia.

8. Income tax expense

The consolidated entity's consolidated effective tax rate in respect of continuing operations for the six months ended 31 December 2007 was nil% (for the year ended 30 June 2007: nil%; for the six months ended 31 December 2006: nil%).

The benefit of the tax losses incurred to date has not been recognised as the probability criteria have not been met.

Condensed Notes to the Consolidated Interim Financial Report

For the six months ended 31 December 2007

9. Mining Tenements

During the six months ended 31 December 2007 the consolidated entity incurred expenditure with a cost of $1,986,435 (six months ended 31 December 2006: $1,382,595) on the following 100% owned mining tenements:

Tenements	Cumulative Expenditure to 30 Jun 2007	Cumulative Expenditure to 31 Dec 2007	Expenditure 6 months to 31 Dec 2007
Held by Centrex Metals Ltd			
Greenpatch EL 3611 (formerly EL 2816)	189,362	198,497	9,135
Cockabidnie EL 3600 (formerly EL 2815)	42,416	51,439	9,023
Bungalow EL 2817 (pre joint venture)	366,924	399,511	32,587
Bungalow EL 3610 (post joint venture)	-	116,413	116,413
Wilgerup EL 3317	2,120,426	3,847,572	1,727,146
Wanilla EL 3269	22,598	30,983	8,385
Dutton Bay EL 3421	20,217	28,869	8,652
Lock EL 3401	7,937	13,263	5,326
Gilles Downs EL 3375	46,079	54,531	8,452
	2,815,959	4,741,078	1,925,119
Held by SAIOG			
Bald Hill EL 3877 (formerly EL 2905)	68,993	83,211	14,218
Carrow EL 2887	61,053	69,753	8,700
Kimba Gap EL 3968 (formerly EL 3018)	42,624	50,809	8,185
Lake Moolkra EL 2961 (surrendered)	168	168	-
Whyalla EL 3125	36,951	44,684	7,733
Ironstone Hut EL 3048	22,051	30,218	8,167
Stony Hill EL 3287	45,770	56,797	11,027
	277,610	335,640	58,030
Held by Lincoln Minerals Limited			
Cockabidnie North EL 3498	-	3,286	3,286
Surrendered tenement written off:			
Lake Moolkra EL 2961	(168)	(168)	-
Total	3,093,401	5,079,836	1,986,435

The Mining tenement assets comprise exploration expenditure incurred since acquiring the licenses. The expenditure is capitalised on a tenement by tenement ("area of interest") basis.

Mining tenements are recorded at cost. The carrying amount is reviewed regularly by the Directors and is dependent upon the discovery and exploitation of commercially viable mineral deposits, the generation of sufficient income there from or sale of tenements for at least their book value. Depreciation will not be charged until production commences.

The recoverability of the carrying amounts of exploration and evaluation assets is dependent on the successful development and commercial exploitation or sale of the respective area of interest. The consolidated entity's tenements have still to be explored and therefore the recoverability of costs is not yet known. The consolidated entity will assess the assets for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying value amount exceeds the recoverable amount. For the purpose of impairment testing, the assets are allocated to cash-generating units.

The significant capital commitments on the tenements are detailed in the Directors Report.

Condensed Notes to the Consolidated Interim Financial Report

For the six months ended 31 December 2007

10. Plant and equipment

During the six months ended 31 December 2007 the consolidated entity acquired assets with a cost of $2,646 (six months ended 31 December 2006: $75,315). There are no significant capital commitments at the 31 December 2007 or 30 June 2007.

11. Capital and reserves

Reconciliation of movements in equity

	31 Dec 2007	31 Dec 2006
	$	$
Share Capital at the beginning of the half year	12,286,238	62,265
Issued (i)	243,440	12,532,086
Share issue costs (ii) (iii)	-	(218,013)
Share Capital at the end of the half year	12,526,678	12,376,338
Share options valued on issue at the beginning of the half year	137,318	-
Share Options issued (iv)	-	18,603
Share options valued on issue at the end of the half year	137,318	18,603
Accumulated profit/(loss) at the beginning of the half year	(1,460,099)	(803,086)
Net profit/(loss) for the half year	(360,473)	(229,372)
Accumulated loss at the end of the half year	(1,820,572)	(1,032,458)
Total Equity	10,846,424	11,362,483

(i) During the year 1,217,198 options were exercised at $0.20 raising $243,440.

(ii) On 17th July 2006 the company listed on the ASX and in the process raised $8,152,086 from issuing 40,760,432 shares. The shares were quoted from 19 July 2006. The cost of this share issue in the period to 31 December 2007 amounted to $nil (31 December 2006: $25,293).

(iii) On 6th September 2006 the company raised $4,380,000 when 21,900,000 shares were issued to Baotou Iron and Steel (Group) Company Limited ("Baotou") for $0.20. The cost of this share issue in the period to 31 December 2006 amounted to $192,720.

(iv) On 17th July 2006 the company listed on the ASX and as a result 500,000 2008 A Class options were issued to South Cove Ltd (see note 12 for further details) with a fair value of 3.72 cents per share.

Condensed Notes to the Consolidated Interim Financial Report

For the six months ended 31 December 2007

12. Loans and borrowings

The following loans and borrowings (non-current and current) were repaid during the six months ended 31 December 2007:

	31 Dec 2007	30 Jun 2007
Current liabilities	**$**	**$**
Loan from Energy Exploration Ltd (formerly Centrex Resources Ltd)	-	-

Loan and accrued interest were repaid in full in the period to 31 December 2006.

13. Key management personnel disclosure

Transactions with key management personnel

Key management personnel receive compensation in the form of short-term employee benefits, post-employment benefits and share-based payments.

On 21 March 2006 Mr Gerard Anderson signed a three year service agreement, as part of this agreement Mr Anderson is entitled to receive 1,000,000 2008 A Class Options per service year (the anniversary being 23 January) and is also entitled to a bonus subject to key performance indicators as set by the Board of Directors. On the 22 March 2007, Mr Gerard Anderson was granted 1 million 2008 A Class Options. The fair value per option at grant date was $0.007.

Other related party transactions	**Transaction value Six months ended 31 Dec**		**Balance payable at**	
Related party and transaction	**2007**	**2006**	**31 Dec 2007**	**30 Jun 2007**
	$	**$**	**$**	**$**
Mr David Lindh:				
Adelaide Equity Partners Limited's corporate advisory services (i)	24,000	22,000	4,000	4,000
Adelaide Equity Partners Limited's reimbursed expenses (ii)	81,780	66,319	13,486	15,073
Minter Ellison's legal services relating to the listing process and other legal matters (iii)	51,592	27,393	-	-
Mr Graham Chrisp *:				
Softwood Plantations Pty Ltd reimbursed expenses (iv)	-	1,332	-	-
Mr David Lindh, Mr Norton Jackson & Mr Graham Chrisp*:				
Centrex Resources Limited loan & interest (v)	-	1,343	-	-

*resigned as a director on 27 April 2006

Condensed Notes to the Consolidated Interim Financial Report

For the six months ended 31 December 2007

14. Key management personnel disclosure (continued)

(i) Transaction with Adelaide Equity Partners Ltd, of which Mr Lindh is a Director, for corporate advisory services.

(ii) Transaction with Adelaide Equity Partners Ltd, of which Mr Lindh is a Director, for reimbursement of general office expenditure on behalf of consolidated entity.

(iii) Transaction with Minter Ellison, of which Mr Lindh is a consultant, for legal services relating to the listing process.

(iv) Transaction with Softwood Plantations Pty Ltd and its controlled entities of which Mr Chrisp is a Director, for reimbursement of general office expenditure on behalf of consolidated entity.

(v) Transaction with Energy Exploration Limited (formerly Centrex Resources Ltd) of which Mr Chrisp and Mr N Jackson are Directors (Mr David Lindh resigned as a director of Energy Exploration Limited during the period), for interest on a loan to the consolidated entity.

Options issued to related parties since 1 July 2006
The following 2008 A Class Options were issued on 17 July 2006:

	No.
South Cove Ltd (i)	500,000
Adelaide Equity Partners Ltd (ii)	1,000,000

(i) On Listing on the ASX, South Cove Ltd was issued 500,000 2008 A Class Options with a Black Scholes value of $18,603. In accordance with the prospectus and an agreement between Centrex Metals Limited and Farmtell Management Services Pty Ltd (a company associated with Mr Graham Chrisp, a former director) certain Options would be granted if certain performance-based criteria were met. This agreement was terminated on 23 January 2006 on terms that obliged Centrex Metals Limited to grant 500,000 2008 A Class Options to Softwood Plantations Pty Ltd (a company associated with Mr Chrisp) subject to Centrex Metals Limited listing on the ASX. The Options were issued to South Cove Ltd as nominee and pursuant to instructions from Softwoods Plantation Pty Ltd.

(ii) On Listing on the ASX, Adelaide Equity Partners Ltd was issued 1,000,000 2008 A Class Options as part of its success fee.

Arrangements with related parties continue to be in place. For further details on these arrangements, refer to the 30 June 2007 Annual Financial Report.

15. Subsequent events

Renouncable Rights Issue

On the 4th December 2007, Centrex Metals Limited announced a Pro-rata Renounceable Rights issue to all registered shareholders as at 31 December 2007. The 1 for 5 issue (one share for every five existing shares) was made at 40 cents per share with the intention of raising A$17.4M to help fund the development of the Wilgerup project.

While the offer was originally intended to close in early February, on the 7th February 2008 the closing date for receipt of acceptances was extended to the 7th March 2008. Share market volatility experienced by all sectors listed on the ASX had the effect of causing minimal initial take up of the offer, which prompted the extension. Final acceptances have resulted in the issue of 450,401 new shares, raising $180,160 .

Under the terms of the issue, the directors have the authority to make a private placement of the shortfall.

Condensed Notes to the Consolidated Interim Financial Report

For the six months ended 31 December 2007

Proper Bay Announcement

On the 6th March 2008, Centrex Metals Limited announced that it had secured the rights to the Proper Bay wharf facility at Port Lincoln, South Australia. The key points relating to the announcement are as follows:

- The agreement is between Centrex Metals Limited and the owner of the land, Port Lincoln Proper Pty Ltd.
- Exclusive 100 year right to the facility. Initial 20 (twenty) year lease with 4 (four) rights of renewal; each for a further 20 (twenty) year term.
- Wharf facility was previously used by BHP for the export of lime sands.
- Centrex intends to develop Proper Bay into a multi user exporting port, primarily to handle hematite ore from Wilgerup, but also to accommodate the growing number of minerals exporters on the Eyre Peninsula.

Directors' declaration

In the opinion of the directors of Centrex Metals Limited ("the Company"):

1. the financial statements and notes set out on pages 11 to 21, are in accordance with the Corporations Act 2001 including:
   (a) giving a true and fair view of the financial position of the consolidated entity as at 31 December 2007 and of its performance, as represented by the results of its operations and cash flows for the half-year ended on that date; and

   (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and

2. there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Dated at Adelaide this 11 March 2008.

Signed in accordance with a resolution of the directors:

Mr David Lindh
Chairman

Mr Gerard Anderson
Managing Director

Independent auditor's review report to the members of Centrex Metals Limited

Report on the financial report

We have reviewed the accompanying interim financial report of Centrex Metals Limited, which comprises the consolidated interim balance sheet as at 31 December 2007, income statement, statement of recognised income and expense and cash flow statement for the interim period ended on that date, a description of accounting policies and other explanatory notes 1 to 15 and the directors' declaration set out on page 22 of the consolidated entity comprising the company and the entity it controlled at the half-year's end or from time to time during the interim period.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation and fair presentation of the interim financial report in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2007 and its performance for the interim period ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Centrex Metals Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Centrex Metals Limited is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2007 and of its performance for the interim period ended on that date; and

(b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001.

KPMG

KPMG

Derek Meates
Partner

Adelaide

11 March 2008

Lead auditor's independence declaration under Section 307C of the Corporations Act 2001

To: the directors of Centrex Metals Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the financial period ended 31 December 2007 there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

Derek Meates
Partner

Adelaide

11 March 2008

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