



AUSTRALIAN STOCK EXCHANGE RELEASE

28th April 2008

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

Dear Sir/Madam

Third Quarter Activities Report

THREE MONTHS TO 31st MARCH 2008

The following activities have been conducted by or on behalf of the Company:

1.0 EXPLORATION ACTIVITIES

Exploration activities for the quarter focused on the Wilgerup, Stony Hill and Bungalow projects.

1.1. EL 3317 Wilgerup

1.1.1 Infill Resource Drilling

Underdale Drillers continued drilling at Wilgerup from the 7th January, 2008. Twenty seven (27) holes for a total of 2,284 metres were drilled for the quarter. The holes were predominantly infill and step out drilling of the North Hematite Pod.

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

The North Hematite Pod still remains open to the east and to the north at depth. The latest drilling has attempted to close off the deposit however the ground conditions are problematic at depth and within the mineralisation. Further drilling is planned for later in the year. 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 summary of the more significant down hole intercepts are tabulated below.

DrillHole ID	Depth From	Depth To	Interval (m)	Fe	SiO2	Al2O3	P
W6R191	40	108	68	61.18	2.27	1.48	0.854
W6R211	61	114	53	60.18	5.17	2.60	0.079
W6R192	86	130	44	63.23	2.43	1.66	0.203
W6R173	80	120	40	61.86	4.98	1.59	0.296
W6R176	70	102	32	60.23	3.43	2.07	0.669
W6R184	76	100	24	60.65	3.81	2.73	0.590
W6R190	64	88	24	60.20	5.00	1.66	0.182

W6R171	106	128	22	61.71	1.93	1.22	0.796
W6R179	70	90	20	61.92	2.60	1.87	0.700
W6R130	38	58	20	59.20	3.39	1.83	0.147
W6R152	62	82	20	62.39	2.80	2.58	0.126
W6R135	66	82	16	61.94	4.59	1.74	0.129
W6R196	50	63	15	60.71	3.41	2.48	0.559
W6R152	88	98	10	59.36	2.53	0.62	0.063
W6R213	56	66	10	64.16	1.72	1.13	0.561
W6R141	56	64	8	61.59	3.77	2.52	0.075

1.1.2 EL 3317 Wilgerup Geotechnical and Hydrological Studies.

A geotechnical project study commenced on the Wilgerup North Hematite Pod during the quarter. John Nitschke Drilling completed four (4) HQ3 diamond drill holes in January and February of 2008 for a total of 515.1 metres. These holes were designed to identify the main structural features for pit slope analysis. Geotechnical consultants Coffey Mining Pty Ltd were appointed to conduct the study with results due in late April 2008.

A hydrological project study commenced on the Wilgerup North Hematite Pod during the quarter. Underdale Water Bore Drillers completed three (3) monitoring bores and intend to drill one (1) production bore in mid-April 2008. A containment dam and subsequent pumping test is planned for late April 2008.

1.2 EL 3610 Bungalow/Minbrie Magnetite Deposit

The Joint Venture Heads of Agreement signed with Baotou Iron & Steel Co, Ltd (“Baotou”) on 22nd September 2007 covering the Bungalow / Minbrie magnetite deposit, is subject to Baotou receiving all necessary Chinese government consents and approvals. Baotou has made 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.

Representatives from Baotou arrived in Adelaide in March to renegotiate aspects of the Joint Venture Heads of Agreement. Negotiations are ongoing.

Centrex has commenced detailed planning on the Bungalow Magnetite Project. Key milestones achieved include:

- Engenium finalised a standardised Davis Test Tube analysis procedure for the Bungalow Magnetite Project based on representative drill core samples to ensure the highest quality control for the upcoming exploration program.
- In early February two exploration geologists were employed on a full-time basis to work solely on the Bungalow Magnetite Project.
- Construction of core farm facilities in the Cowell light industrial area were completed to allow the processing of diamond core on site.
- The Exploration Work Approval (EWA) for the next phase of exploration at Bungalow was granted by PIRSA.
- Representatives from the Barngarla and Nauo native title claimants visited the exploration site to carry out a monitoring survey in February. [Note: the planned exploration area is freehold farm land and not subject to Native Title].

1.3 EL3287 Stony Hill

The Stony Hill tenement is located in the Western Middleback Ranges of South Australia (approximately 50km's west of Whyalla). It is close to One Steel's (formerly BHP Co. Ltd) mines that have produced over 200Mt of high-grade hematite ore. The Company has identified a number of iron ore exploration targets from high resolution aeromagnetic and surface mapping of Banded Iron Formation.

In early March Underdale Drillers commenced a regional exploration reverse circulation drilling program to test a number of exploration targets. Twenty five (25) drill holes have been planned of which five (5) holes for 433 metres have been completed. Analytical results are due in May of 2008.

2. DEVELOPMENT ACTIVITIES

Sinclair Knight Merz ("SKM") finalised the Engineering Pre-feasibility Study of potential port sites. Proper Bay evolved as the only available site following feedback from Onesteel and Port Lincoln council.

A preliminary transport route assessment was completed for the proposed transport route from the mine to Proper Bay.

Work completed during the quarter included:

Wilgerup Mine site

- MARP process continued throughout the March quarter.
- Continuation of the community engagement and consultation process.
- Government stakeholder engagement continued.
- Hydrological study drilling commenced. Monitor holes were completed and the production bore is due to be completed in the June quarter.
- Geotechnical assessment commenced with core logging completed and the preliminary report finalised. Additional holes are scheduled in the June quarter.
- Preliminary mine design, waste dump design and site layout completed. Production schedules were commenced.
- Crushing and screening plant preliminary design completed and indicative construction costing completed.
- Production fleet requirements and operating cost calculations commenced.
- Approach made to land owner to purchase station containing Wilgerup deposit.
- Transport route assessment from the mine to Proper Bay was completed.

SKM will commence the risk assessment phase of the Mine and Rehabilitation Plan (MARP) in April 2008. Centrex expects to submit a draft MARP by late April 2008. The draft MARP was originally scheduled to be submitted in February 2008 however changes resulting from port access restrictions and further studies required to be undertaken at Proper Bay resulted in the delayed completion of the document.

Following the Engineering Pre-feasibility works commenced by SKM in the December quarter for the various port options (Port Lincoln, Proper Bay and Whyalla), Proper Bay remains the only viable option of the 3 ports initially identified. Work completed included:

Port Lincoln

- Port Lincoln city council informed Centrex that shipping Iron Ore through the main wharf at Brennan bay would not be supported.
- Access to the main wharf is no longer a suitable option.
- No further action planned.

Proper Bay

- Option for lease area secured for 20 years, plus 4 x 20 year extensions.
- Detailed revised engineering design works undertaken for storage facility.
- PFS engineering design completed on truck unloading facility.
- Topographical survey undertaken of entire lease area including access route.
- Trans-shipment concept progressed. Location identified and wave study initiated.
- Dust modelling revision commenced.

Whyalla

- Onesteel informed Centrex of their intention to conduct an internal review of activities.
- Access to southern wharf not available in the foreseeable future.

- No further action planned.

3. PRODUCTION ACTIVITIES

No production was recorded for any of the Company's tenements during the quarter.

4. CAPITAL

The Company had 218,412,514 shares and 55,584,644 2008 A Class Options on issue at 31 March 2008.

During the quarter members exercised the following options:

- 343,582 on 3 January 2008;
- 7,000 on 4 January 2008;
- 2,500 on 9 January 2008;
- 6,250 on 16 January 2008;
- 2,500 on 22 January 2008;
- 104,382 on 23 January 2008;
- 2,500 on 24 January 2008; and
- 12,500 on 8 February 2008;

On the 12th March 2008 450,401 shares were issued as part of the pro-rata renounceable rights issue that was available to all existing shareholders as at 31 December 2007.

5. FINANCIAL

5.1 Reconciliation of Expenditure

This is the third quarterly report for Centrex Metals Limited for the year ended 30 June 2008. In the previous quarterly report the estimated exploration and evaluation cash outflows for the current quarter was \$1,649,000. The actual exploration and evaluation cash outflow amounted to \$1,142,000; the shortfall is primarily due to slower than anticipated drilling rates.

5.2 Cash at end of Quarter

Cash at 31 March 2008 was \$4,501,995.

Attached is the Appendix 5B Statement of Cashflows for the period from 1st January 2008 to 31st March 2008.

For further information, please contact Gerard Anderson at Centrex Metals Limited on (08) 8232 0400.



Gerard Anderson
Managing Director
Centrex Metals Limited
Gerard Anderson
Managing Director
Centrex Metals Limited

The information in this report relating to Exploration Results is based on information compiled by Mr Gerard Anderson who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Anderson is a geologist and Managing Director of Centrex Metals Limited. Mr Anderson has sufficient experience, which is relevant to the style of mineralisation 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 Anderson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

CENTREX METALS LIMITED

ABN

97 096 298 752

Quarter ended ("current quarter")

31 MARCH 2008

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation (b) development (c) production (d) administration	(1,148) - - (418)	(3,192) - - (1,150)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	97	342
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid (refund)	-	80
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(1,469)	(3,917)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects (b)equity investments (c) other fixed assets	- - (8)	- - (10)
1.9 Proceeds from sale of: (a)prospects (b)equity investments (c)other fixed assets	- - - -	- - - -
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(8)	(10)
1.13 Total operating and investing cash flows (carried forward)	(1,477)	(3,927)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(1,477)	(3,927)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	276	520
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid		
1.19	Other (provide details if material) –IPO costs	-	-
	Net financing cash flows	276	520
	Net increase (decrease) in cash held	(1,201)	(3,407)
1.20	Cash at beginning of quarter/year to date	5,702	7,908
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	4,501	4,501

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	187
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Transactions included in the value disclosed at item 1.23 include (\$A'000):	
Director's fees (including superannuation).	\$146
Adelaide Equity Partners (corporate advice, office rental, administration services)	\$31
Minter Ellison (legal advice)	\$10

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	517
4.2 Development	-
Total	517

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	721	655
5.2 Deposits at call	3,780	5,047
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	4,501	5,702

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: 28th April 2008
(Director)

Print name: Mr Gerard Anderson

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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