From mine to farm, integrated fertiliser resource developments.

Ardmore Phosphate Rock Project
Uniquely Positioned, Strong Market, Low Risk

Australia and New Zealand import approximately 1 million tonnes of phosphate rock annually. Ardmore has a significant quality and freight advantage in the supply to these and other regional markets such as Indonesia and East India in comparison to the current suppliers from North Africa, the Middle East and South America.

The Ardmore deposit is shallow and suited to a low-cost strip-mining open cut operation without the need for blasting. Pilot plant trials have shown a premium grade 35% P₂O₅ concentrate with ultra-low cadmium can be produced via simple single stage crushing, attritioning and desliming. Cadmium is a toxic heavy metal, and there is a focus globally on reducing allowable import levels.

The concentrate will be transported by existing roads and rail to the Port of Townsville. Proposals have been advanced with multiple logistics contractors utilising their existing infrastructure and facilities.

Centrex is progressing a start-up operations phase with trial shipments scheduled for mid-2019 to underpin the securing of offtake and financing commitments by the end of 2019, commencement of construction in early 2020 and full-scale production in 2021.
Phosphate market research specialists CRU provided Centrex with historical and forecast pricing trends for the Morocco FOB 68-72% BPL (31-33% P$_2$O$_5$) and India CFR 71-75% BPL (32-34% P$_2$O$_5$) benchmarks over the period covering Ardmore’s proposed initial mine life of 2021 through to 2030.

APPLICATIONS OF PHOSPHATE ROCK:

- Downstream production:
  - Single Super Phosphate (SSP, 20% P$_2$O$_5$);
  - Phosphoric acid for high purity products such as diammonium phosphate (DAP, 46% P$_2$O$_5$);
- Direct application for slow release in acidic soils; and
- Animal feed supplements

The total traded phosphate rock market is 28 million tpa, with the key importing countries in the Asia Pacific accounting for 12 million tonnes. Imports in the region are forecast to grow by 7 million tonnes over the next 5 years.

THE ARDMORE PHOSPHATE ROCK PROJECT

The Asia Pacific relies on phosphate rock imports, having limited local production despite being one of the largest markets.

The Ardmore Phosphate Rock Project in North West Queensland is one of the few remaining undeveloped high-grade phosphate deposits in the world. The project presents a fast-track opportunity for a phosphate rock export operation and revenue generation for Centrex.

- 10.1 million tonne Mineral Reserve at 30.2% P$_2$O$_5$
- DFS completed with Pre-tax NPV$_{10}$ A$269 million and IRR of 65%
- Low pre-production capital requirement of A$69 million and a short payback period of < 2 years
- Fabrication of start-up plant completed with commissioning due mid-2019
- First concentrate shipments in 2019 as a precursor to long term offtake underpinning project financing
- Full-scale production of 800,000 tpa targeted for 2021
- 90km haul on existing roads to rail line and the Port of Townsville for shipping
- Product quality and sea freight advantage over existing suppliers to the major Asia Pacific markets
- Very low resource, technical and execution risk – majority of infrastructure in place
- Exploration upside with adjacent tenements and targeted regional exploration strategy
- Positive outlook with prices having increased 25% since start of 2018

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