
AUSTRALIAN SECURITIES EXCHANGE RELEASE

FOR IMMEDIATE RELEASE

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

30 April 2012

Dear Sir/Madam

Third Quarter Activities Report for the 3 Months Ending 31 March 2012

Highlights:

- The Eyre Iron JV with Wuhan Iron and Steel Group Ltd (WISCO) will complete the scoping study on Fusion in the next quarter, work is already well underway on the definitive feasibility study underlining the confidence of the JV partners in the Fusion project.
- The Port Spencer joint venture agreement between Centrex (50%) and Wugang Australian Resource Investments Pty Ltd (WARI) (50%) has been signed. WARI is a wholly owned subsidiary of WISCO and the signing represents confidence by WISCO for both the mining JV and associated infrastructure development.
- The Bungalow Joint Venture between Centrex (70%) and Baotou Iron and Steel Group Ltd (Baogang) (30%) made significant progress towards completing the pre-feasibility study including the completion of the Stage 3A Resource definition drilling.
- The Port Spencer Public Environmental Report (PER) was formally submitted to the government and released for Public Consultation. The Development Application will proceed once the PER process has been satisfactorily completed.
- Targets have been identified for further preliminary exploration activities to be undertaken at the Goulburn Project in NSW

Safety

Centrex continues to focus on safety issues with good results and its field programs are being cited as exemplars for the exploration sector. LTI's for Centrex staff for the quarter were zero and there was 1 LTI for a contractor for the quarter due to an uncontrolled vehicle movement. Centrex has held workshops involving the police, contractors and local residents to address vehicle movement issues.

General Comments

The Eyre Iron Joint Venture (CXM 40%) moved rapidly to complete the work required on the Fusion scoping study with completion and release expected early next quarter. In addition, work is already progressing on the Fusion Definitive Feasibility Study (DFS). Community consultation has commenced with pit and possible plant locations presented for discussion and comment.

The Bungalow Joint Venture (CXM currently 70%) made significant progress towards completing the pre-feasibility study including the completion of the Stage 3A Resource definition drilling, the mine geotechnical and groundwater assessments and the continuation of detailed metallurgical test work and baseline environmental studies.

The Company entered into the Port Spencer Joint Venture (CXM 50%) agreements with WISCO establishing the joint venture to design build and operate Port Spencer, the proposed deep water export facility capable of accommodating Cape class vessels.

The Port Spencer PER was released by the Minister for Planning for public comment with the comment period to close on April 27. A public meeting was hosted by the government in Tumby Bay (the closest town to the port site) achieving broad community engagement and indicating that strong community support continues for the port development.

Desk top work commenced on the Goulburn tenements to assess the potential for base metals and gold. This will be followed by targeted drilling once land access has been obtained.

The Company's objectives (via various joint ventures) for the coming June quarter are to complete the Port Spencer Development Application process, complete the scoping study for Project Fusion and to complete further work to achieve resource definition upgrades for both Eyre Iron and Bungalow JV's. Work on the Fusion DFS and the Bungalow PFS will continue, with both scheduled for completion late 2012 or early 2013.

The information that follows sets out the activities that have been conducted by or on behalf of the Company during the quarter.

1. JOINT VENTURE ACTIVITIES

Exploration activities on SA's Eyre Peninsula focused on the Bungalow Joint Venture (magnetite) with Baogang which commenced on June 18, 2010 and on the Eyre Iron Joint Venture (magnetite) with WISCO which commenced on July 20, 2010.

1.1 Bungalow Joint Venture

Stage 2 – Pre Feasibility Study (PFS)

- Worley Parsons took over the PFS Engineering studies from AMEC Minproc during the quarter.
- Peter O'Brien & Associates has completed the geotechnical report and associated slope design parameters for mine design. The pit wall stability is predominantly influenced by the attitude and shear strength of geological structures. No further geotechnical drilling is required prior to mining.
- SGS Consultants completed the draft ground water report which indicated that from a dewatering perspective the amount of groundwater is not excessive. From a water supply perspective the ground water is not sufficient to support the mine and process water requirements. The proposed desalination plant at Port Spencer is the most likely process water option.
- The environmental geochemical kinetic testing has commenced on selected samples as identified by the static testing. The kinetic testing is expected to continue for the next 6 months before a full assessment of the results can be made.
- Baseline air quality and ground water monitoring is continuing.

Stage 3A – Supporting studies for the PFS

- The Stage 3A Resource definition drilling was completed in February with a total of 18,126.2m of diamond drilling being completed since September 2011. Over 64 kilometers of drilling has now been completed at Bungalow and Minbrie with the bulk of this work being undertaken in the last 2 years. The last of the assay results were received in late March and an updated Resource model for Stage 3A is due for completion in early May. The pit optimisation and mining study is scheduled to be completed in May/June.
- The AMDEL laboratories in both Adelaide and Perth have been undertaking the latest round of metallurgical testwork including grind variability testing, dry cobbing, LIMS and WHIMS, silica and sulphide flotation on the various ore types. High Pressure Grinding Rolls (HPGR) test work commenced at Polysius in Perth with slurry rheology and dewatering testwork being undertaken at Outotec laboratories, also in Perth.

1.2 WISCO Joint Venture

Eyre Iron Pty Ltd (“Eyre Iron”), the management company of the Eyre Iron Joint Venture, continued resource definition on its flagship Fusion project with almost 20,000m of mainly diamond drilling completed during the quarter. Drilling concentrated on the proposed initial mine locations at the deposits of Koppio, Brennand and Kapperna. Resource updates from this drilling are expected next quarter as Exploration Target areas are drilled out to determine Mineral Resources.

Approximately 1,000m of diamond exploration drilling was completed on the greater Fusion project area including Charlton Gully, White Flat and the newly defined Tom’s prospect just south of Koppio.

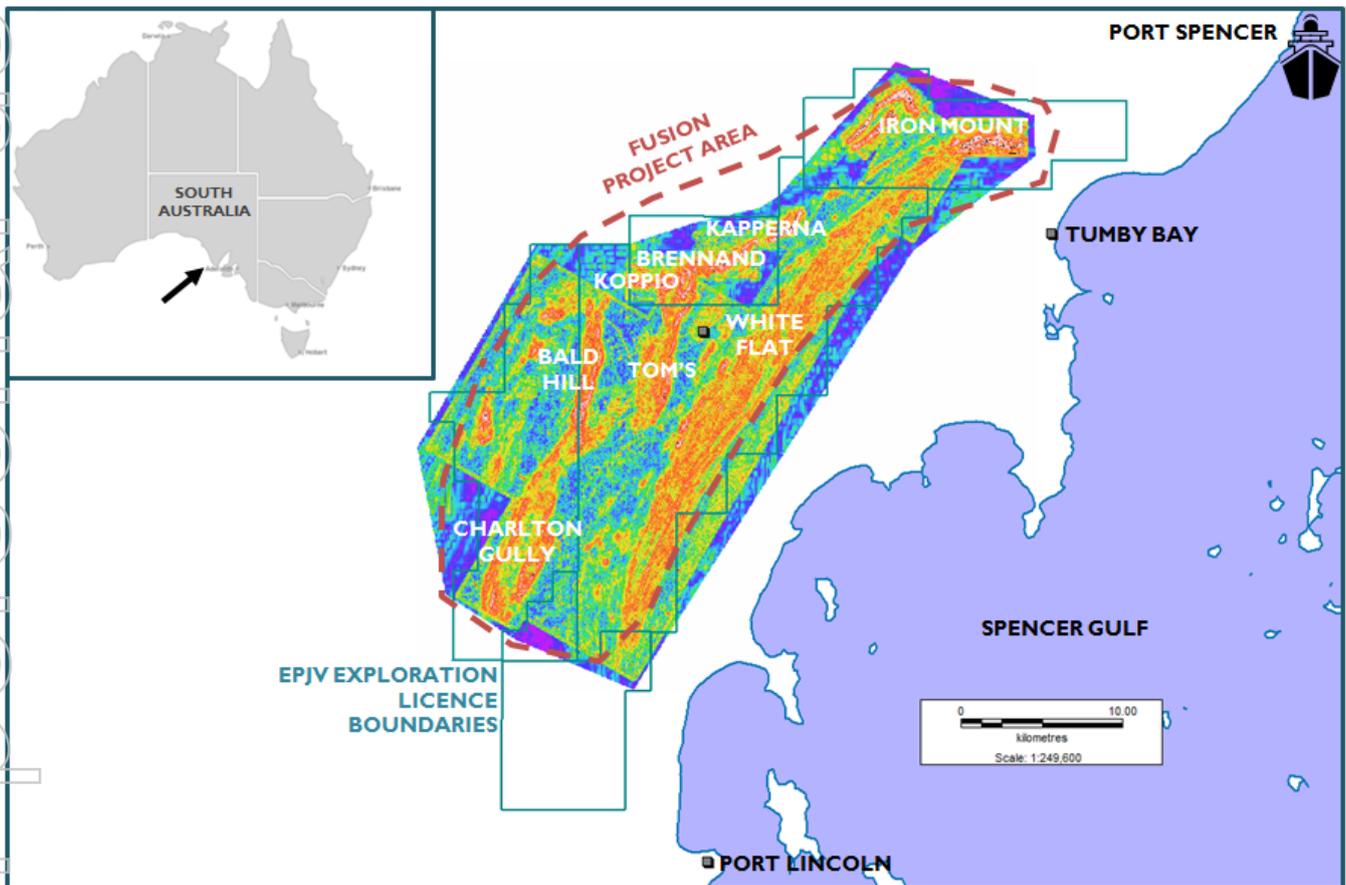


Figure: High-resolution airborne magnetic image of the Fusion project area.

Apart from drilling associated with Fusion around 700m of drilling was completed at the Mount Hill prospect to target coincident gravity and magnetic anomalies for potential DSO hematite mineralization. Drilling was attempted using an RC drilling rig however all holes completed failed to achieve target depths due to adverse drilling conditions. Further drilling will be completed next quarter utilising diamond drilling techniques to overcome these issues.

A series of community information sessions were held during the quarter by Eyre Iron to outline conceptual pit designs for the initial Fusion mine site. Along with pit outlines, potential process plant location options were highlighted to gather community feedback and to incorporate this into feasibility design studies.

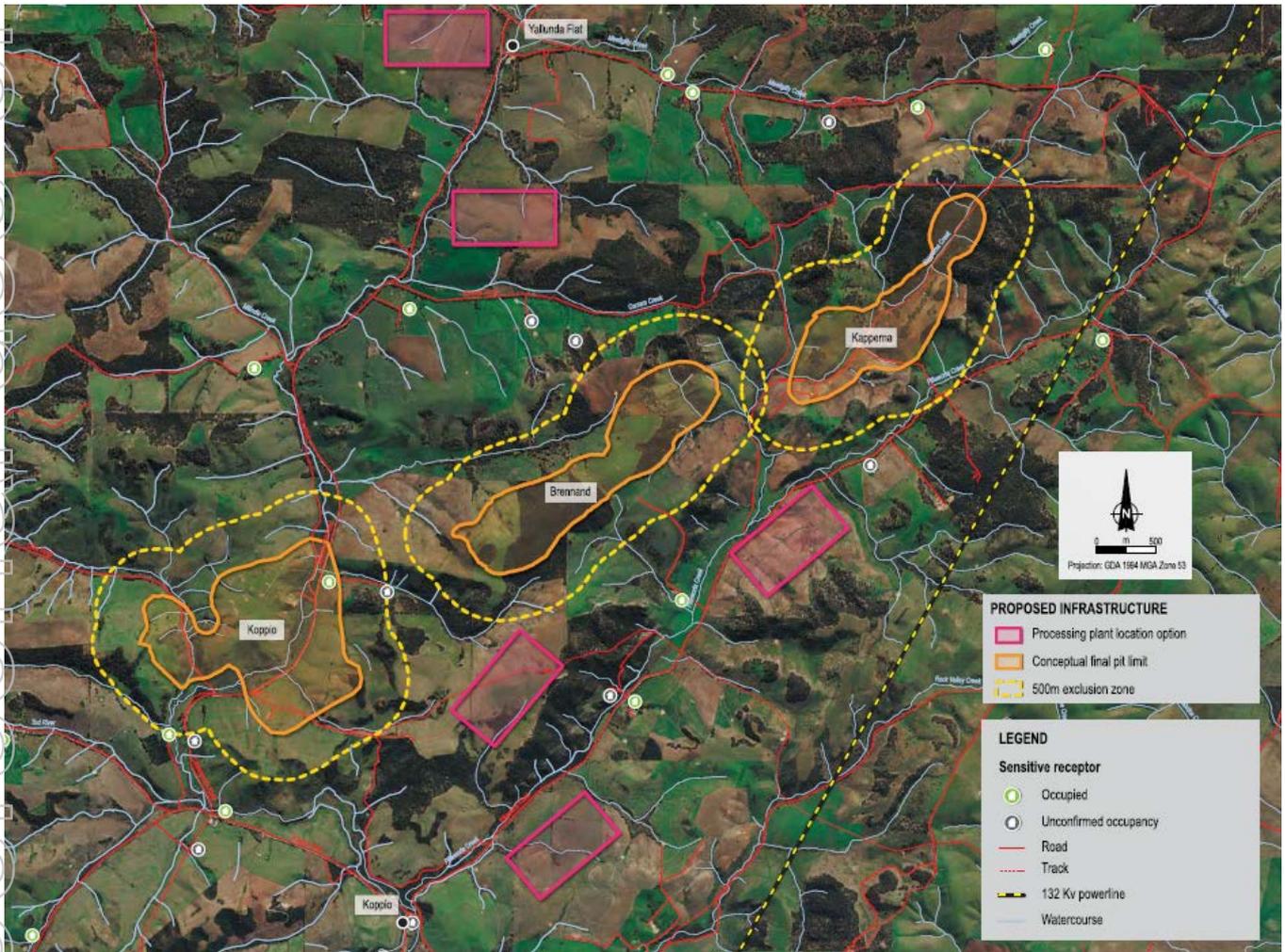


Figure: Potential processing plant locations and conceptual final pit limits for Koppio, Brennand and Kapperna deposits.

During the quarter Eyre Iron announced an initial 54.8Mt^A Inferred Mineral Resource for the Greenpatch prospect to the south of Fusion. This announcement took the total defined Mineral Resources for the Joint Venture to 668.4Mt^A.

^A Competent Person's Statements can be found on page 9 of this report.

2. EXPLORATION ACTIVITIES

2.1 Goulburn Skarn Project (base metals/gold – NSW)

The Goulburn and Archer tenements cover an extensive area with a number of base metal, gold and iron deposits and occurrences. A geophysical review by ASIS international and Geosmining previously outlined a number of targets warranting ground investigation followed by drill testing. During the quarter, an independent geological consultant (“GEM” Exploration Management Services), familiar with the Goulburn region and styles of mineralisation was engaged to review the project and 2012 exploration strategy. GEM supported the view of previous consultants and concluded that potential remained for the discovery of iron and base metal deposits within the Goulburn and Archer tenements.

As a result Centrex has now committed a Project Geologist to compile the data and commence land access negotiations. Landowner access for a number of the new targets, previously identified from the 2010 airborne geophysical survey, will require a careful and considered approach to ensure that exploration drilling activities will have minimal impact.

2.2 Western Middleback Iron Ore Tenements (hematite/magnetite – SA)

No significant activities were undertaken in the Western Middleback tenements.

2.3 Tenement Management

All tenements are in good standing.

A number of 6 monthly reports were submitted to DMITRE including EL 3999 Ironstone Hut, EL 3877 Mount Hill and EL 4299 Tooligie.

An application for a subsequent licence for EL 3731 was submitted to DMITRE.

3. OTHER ACTIVITIES

3.1 Wilgerup hematite project

No further activities were undertaken in relation to the proposed Wilgerup hematite DSO mine. The mine is fully approved and will be developed in line with development of Port Spencer (refer below).

3.2 Port Spencer deepwater port

The Port Spencer 50/50 joint venture agreement between Centrex and WARI was signed on 9 March 2012. WARI is a wholly owned subsidiary of WISCO. This is a significant milestone for the Port Spencer project as the directors believe it represents a vote of confidence by WISCO in the mining JV (Eyre Iron) and in the associated infrastructure development. Work on a bankable feasibility study will commence on completion of two conditions precedent, being Australian FIRB and Chinese NDRC approval.

Centrex and Golder Associates have completed the Port Spencer PER. This was released for public comment on 9 March 2012 by the Minister of Planning, Mr John Rau. The public consultation period is for 7 weeks and finishes on 27 April 2012.

The Department of Planning held a community meeting in Tumby Bay to give the community an opportunity to ask questions about the project and to explain the method of making PER submissions. Mr Robert Kleeman – General Manager Planning and Assessment presented at the meeting. Centrex also presented an overview of the PER. A panel consisting of Robert Kleeman, Centrex and Golder representatives answered questions. A wide range of community views were presented with an extensive question and answer session.

On completion of the public consultation period, Centrex will be required to address any submissions received during the public consultation period prior to submitting the final PER for approval.

Centrex has established an owner's team to assist in the development of the port and this team includes:

- Parsons Brinckerhoff - Engineering support
- Golder Associates - Environmental support
- Free Eyre Limited - Grain handling
- Patrick - Port operation

4. PRODUCTION ACTIVITIES

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

5. CAPITAL

The Company had the following securities on issue as at 31 March 2012:

Ordinary Shares	313,600,904
2012 CXM Exec Options (expiring 30 Jun 2012, exercisable at \$0.42)	1,682,000
2014 CXM Exec Options (expiring 30 Jun 2014 exercisable at \$0.42)	750,000
2014 Employee Performance Rights (vest 30 Jun 2014 subject to performance hurdles)	1,800,000
2014 Employee Retention Rights (vest 30 Jun 2014 subject to retention hurdles)	800,000

No securities were issued by the Company during the quarter.

6. FINANCIAL

6.1 Cash at end of Quarter

Cash at 31 March 2012 was **A\$76,568,869**.

Attached is the Appendix 5B Statement of Cash flows for the period from 1st January 2012 to 31st March 2012.

For further information, please contact Jim White at Centrex Metals Limited on (08) 8100 2200.



Jim White
Managing Director
Centrex Metals Limited

The information in this report relating to Exploration Results for Centrex Metals Limited is based on information compiled by Mr Alastair Watts who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Watts is a geologist and Exploration Manager of Centrex Metals Limited. Mr Watts 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 Watts consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report relating to Exploration Results for Eyre Iron Pty Ltd is based on information compiled by Mr Ben Hammond who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Hammond is a geologist employed by Centrex Metals Limited and is the Chief Operating Officer of Eyre Iron Pty Ltd. Mr Hammond 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 Hammond consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

(2)The information in this report relating to Mineral Resources is based on and accurately reflects information compiled by Mr Alan Miller of Golder Associates who is a consultant and adviser to Eyre Iron Pty Ltd and who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Miller 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 Miller consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

(3)The information in this report relating to Mineral Resources is based on and accurately reflects information compiled by Mr Alex Virisheff of Coffey Mining Limited who is a consultant and adviser to Eyre Iron Pty Ltd and who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Virisheff 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 Virisheff 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 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

CENTREX METALS LIMITED

ABN

97 096 298 752

Quarter ended ("current quarter")

31 MARCH 2012

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	(4)	9
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(107) - - (5,770)	(212) - - (9,063)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	1,090	2,981
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes (paid) / received	(3)	377
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(4,794)	(5,908)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	- - (32)	- - (133)
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets	- - -	26,000 - 35
1.10 Loans to other entities	(390)	(1,366)
1.11 Loans repaid by other entities	400	1,343
1.12 Other (provide details if material)	-	-
Net investing cash flows	(22)	25,879
1.13 Total operating and investing cash flows (carried forward)	(4,816)	19,971

+ See chapter 19 for defined terms.

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1.13	Total operating and investing cash flows (brought forward)	(4,816)	19,971
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	-	-
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)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(4,816)	19,971
1.20	Cash at beginning of quarter/year to date	81,385	56,598
1.21	Exchange rate adjustments to item 1.20		
		76,569	76,569
1.22	Cash at end of quarter		

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	216
1.24	Aggregate amount of loans to the parties included in item 1.10	390

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)	\$168
Asiasphere Pty Ltd (consultant director)	\$18
Wugang Australian Resources Investment P/L (consultant director)	\$15
Bynoe Investments Pty Ltd (consultant director)	\$15

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

(\$A'000):

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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	1,571
4.2 Development	-
4.3 Production	-
4.4 Administration (including income taxes of \$14.8m)	16,620
Total	18,191

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	262	316
5.2 Deposits at call	18,658	9,675
5.3 Bank overdraft		
5.4 Other (term deposits with maturity > 90days)	57,949	71,394
Total: cash at end of quarter (item 1.22)	76,569	81,385

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		

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7.8	Issued during quarter	① - ② -	① - ② -		
7.9	Exercised during quarter	① - ② -	① - ② -		
7.10	Expired during quarter	① - ② -	① - ② -		
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

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 5).
- 2 This statement does/ does not* (delete one) give a true and fair view of the matters disclosed.

Sign here:  Date: 30 April 2012
(Company Secretary)

Print name: Ms Alison Evans

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.

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- 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 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting 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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