



CENTREX

ASX ANNOUNCEMENT

3rd January 2025

CORPORATE UPDATE

Centrex Limited (ASX: CXM) ('Centrex' or 'the Company') provides the following corporate update for Centrex Limited and its wholly owned subsidiary, Agriflex Pty Ltd ('Agriflex'), including an update on the Ardmore Rock Phosphate Mine ('Ardmore'), which is 100% owned by Agriflex.

SUMMARY

- **Centrex has secured strategic agreements with relevant counterparties, strengthening its working capital position and providing a robust foundation to complete the Stage 1.5 Expansion.**

RESTRUCTURE OF TRADING TERMS

As a result of the increase in logistics requirements arising from the recent increase in production and shipments at Ardmore, the Company had accumulated costs of logistics costs of \$16,914,176 to the end of 27 September 2024. These logistics costs were recognised as a trade payable in the Company's recent 2024 Annual Report.

To ensure that shipments were maintained, Centrex's logistics providers including Aurizon Operations Limited ('Aurizon') continued to provide service to Centrex. A restructure of some terms of supply were deemed appropriate to enable Centrex to meet debts owed to those suppliers.

The nature of the restructure involved certain security arrangement with Aurizon, including general security, guarantees and forbearance, so as to enable the Company to proceed with confidence to a capital raising. The essential elements were as follows:

- **General Security Agreement:** to pay the secured money in accordance with the terms of the logistics agreement;
- **Guarantee and Indemnity:** guarantee from the Company and its subsidiaries to pay guaranteed money on demand;
- **Tenement Mortgage:** grants a security interest in relevant Company tenements;
- **Deed of Forbearance:** provides that the creditor will forbear from exercising certain accrued rights providing that Centrex complies with the terms of the Deed of Forbearance.

The key terms of the Agreements¹ are included in the Schedule.

MANAGEMENT COMMENTARY

Robert Mencil, CEO and Managing Director of Centrex Ltd, commented:

¹ The 'Key Terms' outlined in Appendices A to E are not exhaustive and are subject to the standard terms and conditions generally applicable to agreements of this nature.

"We are grateful to our suppliers and financiers for their support and partnership. I now have greater confidence in Centrex's ability to unlock the potential of the Ardmore Rock Phosphate Mine.

The agreements strengthen our working capital position and provide a pathway to completing the Stage 1.5 Expansion.

Although the company has suffered from cash flow issues, current and projected operations at Ardmore will benefit from strong phosphate prices, a strengthening US dollar, and declining operating costs."

This ASX announcement has been approved and authorised for release by the Board of Centrex.

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About Centrex Limited

Centrex Limited is looking to secure Australasia's sustainable agriculture future through the exploration and development of its wholly owned Ardmore Phosphate Project and Oxley Potash Project. The products from both projects are necessary ingredients for global food production and human nutrition. The Centrex Limited fertiliser projects are located near to established energy and transport infrastructure that are necessary for access to established agricultural markets. The Company is also continuing its copper-gold-base metal exploration projects near Goulburn in the Lachlan Fold Belt in New South Wales.

Past and future performance –This Announcement contains forward looking statements. Forward-looking statements generally relate to current expectations, hopes, beliefs, intentions, strategies or productions about future events or Centrex's future financial or operating performance. For example, statements regarding anticipated growth in the industry in which Centrex operates and anticipated growth in demand for Centrex's products and services, projections of Centrex's future financial results and other metrics are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "pro forma", "may", "should", "could", "would", "might", "plan", "possible", "project", "strive", "budget", "targets", "aims", "outlook", "guidance", "forecast", "expect", "expected", "intend", "will", "estimate", "anticipate", "believe", "perceives", "predict", "potential" or "continue", or the negatives of these terms or variations of them or similar terminology, but the absence of these words does not mean that a statement is not forward-looking. Such forward-looking statements are subject to risks, uncertainties, and other factors which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. These forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance and may involve known and unknown risks, uncertainties and other factors, many of which are outside the control of Centrex. You are cautioned not to place undue reliance on any forward-looking statement. Forward looking statements in this Announcement are based on assumptions and contingencies which are subject to change without notice. Actual results, performance or achievements may vary materially from any forward-looking statements and the assumptions on which statements are based. The forward-looking statements in this Announcement are based on information available to Centrex as at the date of this Announcement and nothing in this Announcement should be regarded as a representation by any person that the forward-looking statements set forth herein will be achieved or that any of the contemplated results of such forward-looking statements will be achieved. Except as required by law or regulation, Centrex its related bodies corporate and their respective officers, employees and advisers disclaim any obligation or undertaking to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

Appendix A – Key Terms, Deed of Forbearance

Parties	Aurizon Operations Limited, Agriflex Pty Ltd, and Centrex Limited and its subsidiaries (Centrex Parties).
Recital	<p>Centrex Parties have requested that Aurizon forbears from exercising its rights of suspension and certain other rights during the Forbearance Period to allow the Centrex Parties to complete the following:</p> <ul style="list-style-type: none"> • To complete a ‘Capital Raising’, which means the raising of at least \$8,000,000 of additional equity capital by Centrex. • Seek to obtain ‘Further Finance’, which means further debt or equity finance of not less than US\$3,450,000 in aggregate made available to the Centrex • Execute the ‘Expansion Plan’, which means the Centrex Parties’ plan to perform capital works at the Ardmore Mine to expand its production capacity.
Debt	Aurizon and Agriflex are parties to the Transport and Logistics Agreement (TLA) pursuant to which Agriflex owes Aurizon the ‘ Debt ’, the aggregate of all unpaid amounts owed by Agriflex to Aurizon pursuant to the TLA up to and including 27 September 2024.
Forbearance Period	Commenced upon signing and ends upon the earlier of 31 January 2026; or the occurrence of an Event of Default.
Payment Plan	Centrex must agree to develop repayment plan for the Debt (‘ Payment Plan ’), satisfactory to Aurizon.
Offtake Agreements	The Centrex Parties must ensure that Agriflex is a party to Offtake Agreements for 100% of the Mine’s production capacity.
Expansion Plan	Centrex must ensure the Expansion Plans are completed before December 2025 and not at a cost greater than \$4,400,000.
Conditions Subsequent	<p>Centrex undertakes that:</p> <ul style="list-style-type: none"> • by no later than 28 February 2025 (or later if agreed in writing): a) the Capital Raising is completed; and b) if gross proceeds of the Capital Raising exceed \$13,000,000, a payment is made to Aurizon of up to \$1,000,000. • It uses its best endeavours to procure that by 28 February 2025 (or later if agreed in writing), further Finance is obtained from Export Finance Australia. • It uses its best endeavours that by 1 July 2025 (or later if agreed in writing) additional Further Finance is obtained.

Appendix B – Key Terms, Transport & Logistics Agreement (‘TLA’)²

Parties	Aurizon Operations Limited, Agriflex Pty Ltd.	
MVT Schedule	Contract Year & Calendar Period	Targets (Varied from previous TLA)
	Year 1: Feb 2023 – Jan 2024	160,000 tonnes
	Year 2: Feb 2024 – Jan 2025	200,000 tonnes
	Year 3: Feb 2025 – Jan 2026	200,000 tonnes
	Year 4: Feb 2026 – Jan 2027	325,000 tonnes
	Year 5: Feb 2027 – Jan 2028	325,000 tonnes
	Year 6: Feb 2028 – Jan 2029 (if extended)	325,000 tonnes

² The TLA is a pre-existing agreement which has been varied as part of the Agreements. For more information on the prior TLA’s, refer to ASX announcement, 7th June 2024, “*Aurizon Logistics Agreement – Extension & Variation*”, and ASX announcement, 10th February 2023, “*Transport & Logistics Agreement Signed with Aurizon*”.

Appendix C – Key Terms, General Security Agreement ('GSA')

Parties	Centrex Limited and its subsidiaries (each a "Grantor"), and Aurizon Operations Limited ("Secured Party").
Secured Money	Secured Money means all money which is or at any time may become actually or contingently liable to pay to or for the account of the Secured Party under or in connection with any agreement, transaction or instrument.
Collateral	All the Grantor's present and after-acquired property, including the Book Debt Assets but expressly excluding the Agriflex Mining Lease.
Consent	Consent of the priority mortgagee is required to the grant of an Encumbrance by Agriflex over the Mining Lease in favour of the Secured Party.

Appendix D – Key Terms, Guarantee and Indemnity

Parties	Agriflex Pty Ltd (Debtor), Centrex Limited and its subsidiaries (Guarantors), and Aurizon Operations Limited (Beneficiary)
Guarantee	The Guarantor unconditionally and irrevocably guarantees payment to the Beneficiary of the Guaranteed Money. The Guarantor agrees to pay the Beneficiary on demand if the Debtor does not pay the Guaranteed Money on the due date and in accordance with the Transaction Documents ³ .
Guaranteed Money	Guaranteed Money means all money which the Debtor is or may become actually or contingently liable to pay to or for the account of the Beneficiary.

Appendix E – Key Terms, Tenement Mortgage

Parties	Agriflex Pty Ltd (Mortgagor), Aurizon Operations Limited (Mortgagee)
Secured Property	All the Mortgagor's right, title and interest with respect to the Tenements, being exploration permits EPM 26551, EPM 26568, EPM 26841, EPM 28684, and (subject to relevant consent) mining lease ML 5542, as well as Future Mining Authorities.
Secured Money	All money which the Mortgagor is or may become actually or contingently liable to pay to or for the account of the Mortgagee.
Security Interest	The Mortgagor grants a security interest in the Secured Property to the Mortgagee to secure payment of the Secured Money.

³ Transaction Documents is defined as the TLA, GSA, the tenement mortgage, the Guarantee & Indemnity, and any other mutually agreed document.

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