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Project Update - Mt Carrington, NSW

Rex Minerals Limited ("Rex") is pleased to report the results from recent drilling and geophysical programs at the Mt Carrington Project, NSW, conducted during the period July to August 2009, including the All Nations copper prospect, and the White Rock North silver prospect.

The near-surface copper mineralisation at All Nations is outside the existing (Au – Ag) Resources and has the potential to add significant value to the Mt Carrington Project. A total of 10 drill holes were completed at All Nations with all assay results now received. Highlights include:

- **ANDD003: 0.85m @ 18 g/t gold and 0.5% copper from 76.5m**
- **ANDD005: 7m @ 1.9 g/t gold and 0.5% copper from 24m**
- **ANDD007: 18m @ 0.7% copper from 33m, including 4.7m @ 1.5% copper from 40m**
- **ANDD007A: 13.1m @ 0.6% copper from 44m**
- **ANDD007B: 1.1m @ 3.7% copper from 79.9m**

The drilling at All Nations was designed to follow up the mineralisation intersected by Rex earlier in the year in drill hole KYDD001, which produced shallow and very high grade intersections of 18.7m @ 5.9% copper from 52.25m, and 10.1m @ 6.3% copper from 88.0m (announced 30 March 2009).

Interpretation of the drilling indicates that the copper and gold mineralisation occurs as narrow high grade zones at depth, enveloped and overlain by larger shallow lower grade secondary copper zones. Evaluation of previous drilling and mining data also indicates that strong potential exists to define further shallow copper zones within a broader area encompassing the All Nations – Gladstone – Pioneer Prospects and covering some 4km². Mineralisation modelling also suggests potential for deeper copper – gold mineralisation in this region.

A 9km² Induced Polarisation ('IP') survey has also been completed over all of the Mt Carrington Mining leases. This is the first geophysical program to have been undertaken on the leases for over 15 years. Preliminary data has highlighted several north to northeast striking features which are interpreted to be caused by potential copper sulphide-mineralised structures in the All Nations – Gladstone prospect area.

A program of 4 drill holes was also completed at the White Rock North prospect in August. The program was designed to confirm high grade silver intersections recorded in previous drilling undertaken in the 1980's, and as a preliminary test of the large IP chargeability anomaly defined on the prospect area (announced 27 August 2009). Each drill hole returned encouraging mineralisation, including native silver, sphalerite and significant sulphide-rich quartz veining and brecciation. Assay results are expected in early October 2009.

Drilling Results

Copper mineralisation was intersected in 8 of the 10 holes completed in this program at the All Nations Prospect, with many of the drilling intersections occurring near-surface.

Significant assay results for recent drill holes are summarised below:

HOLE ID	FROM (m)	TO (m)	INTERVAL (m)	Au (g/t)	Cu (%)	Zn (%)
ANDD003	76.5	77.35	0.85	18.2	0.5	
	96.6	97	0.4	17.2	0.4	
ANDD005	24	31	7	1.9	0.5	
	73	75	2	5.0	0.3	
ANDD007	33	51	18		0.7	
	<i>Including</i> 40	44.7	4.7		1.5	
ANDD007A	27	36	9		0.3	
	44	57.1	13.1		0.6	0.3
	77	78	1		1.2	0.2
ANDD007B	25	34	9		0.3	
	79.9	81	1.1		3.7	
ANDD009	56	78	22			0.7
	177	181	4		0.5	
	276.4	277.4	1		1.7	2.8
	325.8	330	4.2		0.5	
ANDD009B	11.4	12.8	1.4		1.3	
ANDD012	186.5	187.5	1		2.1	

Table 1: Assay results for the All Nations Prospect drilling program

Geophysical Surveys

A 9km² gradient array Induced Polarisation (IP) geophysical survey was completed on the central Mt Carrington mine lease area, including the All Nations prospect, in August 2009. Interpretation of preliminary data indicates a strong association of several north to northeast striking chargeability anomalies with several copper-mineralised structures observed in previous mapping and historical mining data, in the western part of the survey area. The structures all have potential strike lengths of up to 1.5km and at least one of these structures has not been previously drilled.

The IP survey has also revealed several other strong chargeability anomalies in the mine lease area, interpreted to be the result of sulphide mineralisation potentially associated with gold and silver mineralisation. A number of resistivity anomalies have also been defined which are interpreted to be related to quartz veining and stockwork zones with pervasive silicification alteration similar to that observed at the Strauss and Kylo gold Resources.

Several of these new chargeability and resistivity anomalies exist in areas which have not been drilled by previous explorers and present new gold – silver targets for Rex. Figures 1 and 2 below present both the IP chargeability and resistivity images for the lease area. A number of pole-dipole IP traverses have also been completed to assist in modelling the estimated depth to these anomalies.

A downhole electromagnetic (DHEM) survey of the recent drill holes at the All Nations prospect has also been completed, and was designed to define the extent of the high grade copper intersections observed in KYDD001, and determine the existence of any ‘off-hole’ conductors related to massive copper sulphides. The results of the survey are awaited and, along with the drilling data, will enable a future focus on the most prospective portions of the mineralised structures in the All Nations area.

Future Mt Carrington Programs

A 7,700 line km airborne magnetic survey of the central part of the Mt Carrington Project will be undertaken in September-October 2009. This high-resolution helicopter-borne survey will cover an area of approximately 400km² at 100 metre flight line spacing and will help define the detailed structural setting of the known gold-silver-copper mineralisation.

The recent drilling at All Nations and White Rock North, along with the detailed DHEM, IP and magnetic surveys provide a new platform for identifying and prioritising targets of potential copper, gold, and silver mineralisation at Rex’s 100% owned Mt Carrington Project. A review of the geological and geophysical data in the next three months will lead to drilling of the most promising targets in early 2010.

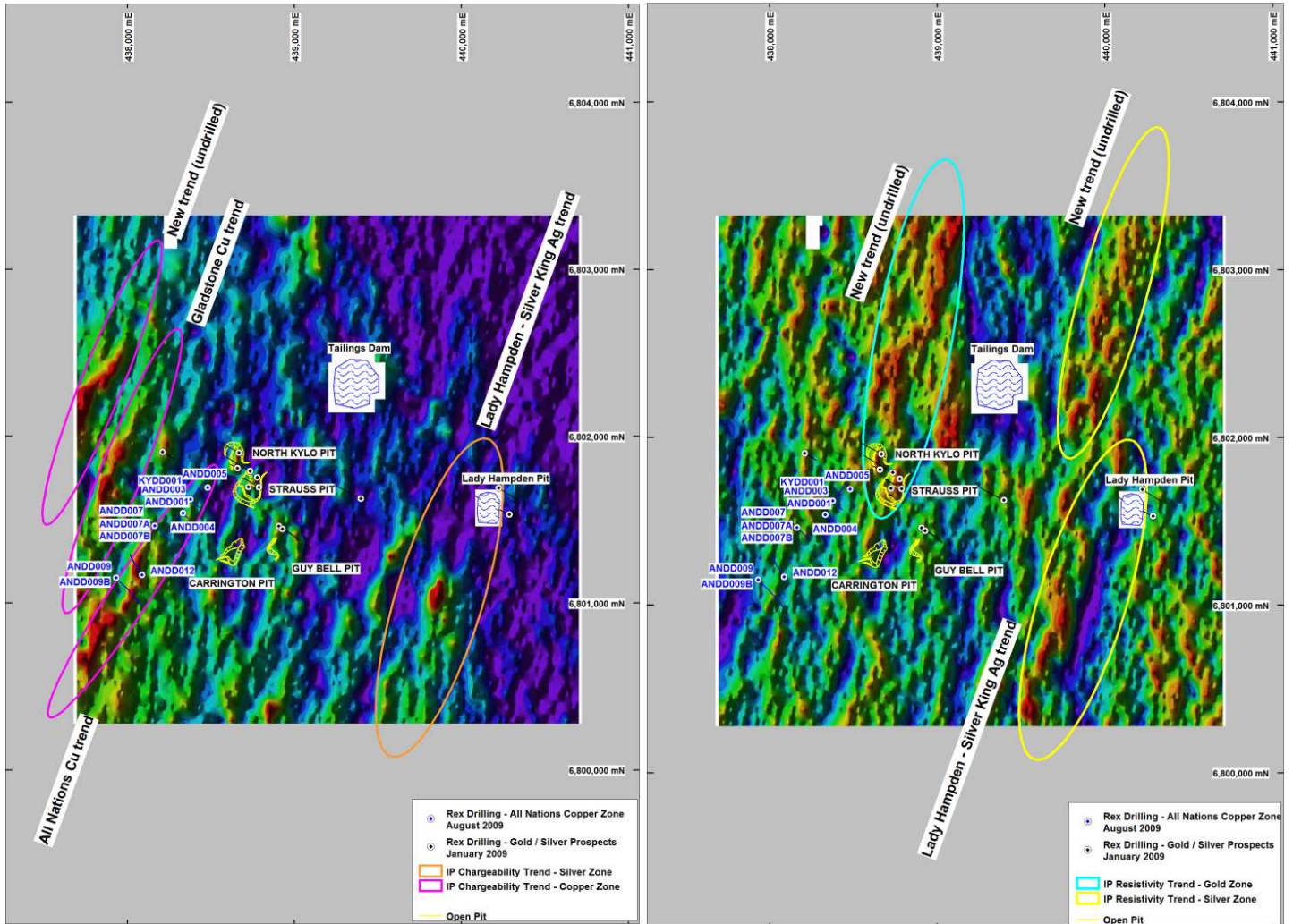


Figure 1: Mt Carrington Geophysical IP survey results. Chargeability Response (left), Resistivity Response (right) showing known Cu / Au / Ag prospects, and new trends interpreted to be the result of sulphide and/or quartz veins.

For Comment and Further Details

For more information about Rex Minerals and its projects please visit our website www.rexminerals.com.au or contact

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About Rex Minerals

Rex is an Australian minerals exploration company with recent copper discoveries in South Australia and New South Wales. Rex seeks to discover multiple copper deposits leading to the development of a large scale, low cost and long life mining operation on the Yorke Peninsula in South Australia. Existing gold and silver Resources and a shallow copper discovery at Mt Carrington in NSW also provide Rex with a shorter term development option. The project portfolio is therefore expected to provide Rex with a sustainable pipeline of development opportunities.



In NSW, Rex has recently acquired 100% ownership of the Mt Carrington gold-silver project and completed an updated Inferred Resource estimate for a total of 190,000ozs of gold and 10.5Mozs of silver with additional shallow gold and silver potential. Recent exploration has also identified some significant high grade copper mineralisation within 100m of the surface, including 18.7m @ 5.9% copper and 10.1m @ 6.3% copper.

Key features about the mineralisation at Mt Carrington Project include:

- It is a large polymetallic Au-Ag-Cu-Zn epithermal style system with potential for economic quantities of copper, gold and silver.
- Most of the exploration at Mt Carrington was completed between the 1970's to the mid 1990's
- Some geophysics has been employed previously, but this has been broad scale, limited and generally ineffective.
- The drilling database shows that most of the drilling is restricted to the top 100m and that many shallow targets remain untested.
- Recently completed IP geophysics has indicated several new high priority targets which have not been previously drilled, and are considered to be prospective for copper, gold, and silver mineralisation.

In SA Rex has discovered a new IOCG style copper – gold deposit at Hillside on the Yorke Peninsula. Drilling and geophysics have highlighted a large mineralised zone over several kilometres in strike length, which is being systematically drill tested to scope the extent and grade of the copper – gold mineralisation.

Competent Persons Report

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled by Mr Geoffrey Lowe who is a Member of the Australasian Institute of Mining and Metallurgy and is a full time employee of Rex Minerals Ltd. Mr Lowe 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 Lowe consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.