



Rex Minerals Ltd

ABN 12 124 960 523

and its controlled entities

31 December 2021

Consolidated Interim Financial Report

Corporate Directory

DIRECTORS

Ian Smith (Chairman)
Richard Laufmann (CEO & Managing Director)
Amber Rivamonte
Ronald Douglas
Greg Robinson
Andrew Seaton

COMPANY SECRETARY

Kay Donehue

PRINCIPAL & REGISTERED OFFICE

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SHARE REGISTRARS

Computershare Investor Services Pty Limited
Yarra Falls, 452 Johnston Street
Abbotsford, Victoria 3067

AUDITORS

KPMG Australia
151 Pirie Street
Adelaide, South Australia 5000

BANKERS

ANZ Banking Group Limited
Level 21, 11 Waymouth Street
Adelaide, South Australia 5000

Ord Minnett Ltd
Level 7, 161 Collins Street
Melbourne, Victoria 3000

LEGAL ADVISORS

Baker McKenzie
Level 19, 181 William Street
Melbourne, Victoria 3000

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Directors' report

The Directors present their report, together with the consolidated interim financial statements, of Rex Minerals Ltd (the Company or Rex) and its subsidiaries (the Group) for the half-year ended 31 December 2021 (the Half-Year) and the auditors' review report thereon. The consolidated interim financial statements have been reviewed and approved by the Directors on the recommendation of the Audit Committee.

Directors

The Directors of the Company at any time during or since the end of the Half-Year are:

- Ian Smith (Chairman)
- Richard Laufmann (Chief Executive Officer & Managing Director)
- Amber Rivamonte
- Ron Douglas
- Greg Robinson
- Andrew Seaton

Principal activities

The principal activity of the Group during the period was minerals exploration, evaluation and development. Rex intends to make the best use of, and fully exploit, both the Hillside copper-gold Resource in South Australia and the Resource at the Hog Ranch Gold Property in Nevada USA. There were no significant changes in the nature of the Group's principal activities during the period. The Group's principal objective is to create value through the discovery and development of mineral resources.

Operating results

The consolidated interim statement of profit or loss and other comprehensive income shows a loss after tax of \$4.3 million for the Half-Year ended 31 December 2021 (2020: loss \$4.6 million).

Review of operations

CORPORATE

Rex remains primarily focused on progressing the Hillside Copper-Gold Project (Hillside) to a final construction decision.

Rex raised a total of \$50 million, during the Half-Year, via a two-tranche Placement from professional and sophisticated investors in Australia and overseas at 30.0c per share, following approval by shareholders. The Placement comprised the issue of a total of 166.6 million new ordinary fully paid shares, issued on 11 August 2021 (17.8 million) and 17 September 2021 (148.8 million).

As we establish our development and operational presence in South Australia, both in Adelaide and Ardrossan, Rex remains the only ASX company to have its registered office located on the Yorke Peninsula.

COVID-19 disruption continued to be a major theme in Australia, with Rex being impacted along with many other businesses. However, the re-opening of the East Coast borders just prior to the end of 2021 was a major step forward and a significant positive for 2022.

Andrew Seaton joined the Board as Non-Executive Director from 1 December 2021. Andrew brings over 35 years' experience in the finance, resources and infrastructure industries.

The Company issued 333,333 shares on the exercise of options on 28 September 2021, lapsed 500,000 unquoted options on 29 October 2021 and a further 280,000 unquoted options were issued on 26 November 2021, under the same terms and conditions contained in the Company's approved Option Incentive Plan.

Rex has commenced trading on the US-based OTCQB® Venture Market under the symbol "RXRLF." This listing, on top of the existing ASX listing, was undertaken to help broaden the Company's international investor base.

HILLSIDE PROJECT – SOUTH AUSTRALIA (SA)

Hillside remains one of Australia's largest undeveloped open pit copper Mineral Resources and contains 2 million tonnes of copper and 1.4 million ounces of gold. With the SA Government's approval of the Program for Environment Protection and Rehabilitation (PEPR) for Stage 1 of the Project on 24 July 2020, Rex now has a pathway to development and continues to develop financing options for Hillside.

Early works on Hillside have commenced, including:

- EPCM Services tenders for development of process plant and infrastructure were received and are being evaluated following clarification sessions with vendors
- A Contractor Mining tender is out to market, with a tender brief completed on 20 January 2022
- Work on highway diversions continues, with surveys and geotech drilling completed and additional design work continuing
- Team building and commitments to early site preparations has begun. Recruitment of key personnel is continuing and new office leases were entered into in Adelaide and Ardrossan
- Financing discussions continue to progress with leading banking institutions.

Rex reported updated Hillside Ore Reserves during the Half-Year. The Ore Reserves estimate for Hillside, as announced to the ASX on 20 July 2021, is 181.6Mt @ 0.54% copper (Cu) and 0.14g/t gold (Au), containing 988kt of copper metal and 823koz of gold (Table 1).

Table 1: Hillside Ore Reserves – July 2021

Category	Tonnes (Mt)	Copper (%)	Gold (g/t)	Contained Copper (kt)	Contained Gold (koz)
Proved	58	0.52	0.16	301	308
Probable	123	0.56	0.13	687	515
Total	182	0.54	0.14	988	823

Calculations have been rounded to the nearest Mt of ore, 0.01% Cu grade, 0.01g/t Au grade, 1,000t of Cu metal and 1000ozs of Au metal. Some apparent errors may occur due to rounding.

The updated JORC compliant Ore Reserves are more than double the previous Ore Reserves at Hillside (announced to the ASX on 26 May 2015), resulting in a 94% increase in the total contained copper metal.

The Ore Reserves are based on a Stage Two Pre-Feasibility Study transition plan, outlined in the PEPR approved on 23 July 2020. The Pre-Feasibility Study provides for a transition from the existing Stage One Feasibility Study into an expanded open pit. In summary:

- Stage One is unchanged for the first five years of production
- The Stage Two open pit design transitions in year six and is completed by year 27

- Six years of lower grade stockpiled material is processed at the end of mine life, extending the total producing life of Hillside to 33 years.

Further enhancing the Project's future, test work to evaluate the applicability of Coarse Particle Flotation was undertaken during the Half-Year and delivered excellent results.

This testing confirmed that our ore is very amenable to this technology and offers us the opportunity to increase annual copper production, by increasing throughput of the mill in the process plant from 6Mtpa up to 7-8Mtpa, whilst maintaining similar copper recoveries.

Coarse Particle Flotation may translate into numerous benefits for Hillside, including:

- Increased mill capacity/production rate
- Reduction in grind power and energy savings per tonne
- Significant improvement to the management of tailings via increased particle size
- Reduction in grind media.

The independently chaired "Hillside Mine Community Voice" (HMCV) which worked with Rex as we navigated the approvals process was independently reviewed during the Half-Year by the South Australian based Consentium Group. The recommendations (all of which were adopted by the HMCV) included the establishment of an interim committee to oversee the creation of a new consultative group to work with Rex as it enters the construction and development stage of the Hillside Project.

HOG RANCH PROPERTY – NEVADA USA

During the Half-Year Rex undertook RC drilling at Hog Ranch, in addition to completing a number of soil geochemistry programs. Both the drilling programs and the soil sampling were undertaken at the Bells and Airport Project areas.

At Airport, the drilling was designed to follow up some new structures identified earlier in the year. At Bells the drilling was designed to test for deeper extensions to the gold mineralisation within large breccia host rocks. Assay results for both drilling programs remain pending.

The soil sampling was completed over two different surface geological environments at Hog Ranch in late 2021. These surveys were over the Airport area, which is partially covered by and situated within Lake Sedimentary rocks, and the Bells area, which is hosted on exposed rhyolite host rocks, like the Krista area.

The results from the Airport area highlighted a vast improvement in surface resolution and the ability to draw interpretations, based on a 50m x 50m grid paired with pXRF multi-element data. There was also a significant improvement interpreting the gold in soils data when compared with the more irregularly spaced historical dataset.

At the Bells area, the extended soil survey highlighted very high resolution over apparent barren sections and gold in drill hole data. Many elements appear to correspond well with the historical gold in soils data, and the arsenic data, in particular, indicate a strong anomaly exists to the south which remains untested. The location of this anomaly was first identified in the hyperspectral data, and the geochemistry data provide strong supporting evidence.

SUPPLEMENTARY INFORMATION

Forward-Looking Statements

This Half-Year report contains "forward-looking statements". All statements other than those of historical facts included in this Half-Year report are forward-looking statements. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis.

However, forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to, copper, gold and other metals price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks and governmental regulation and judicial outcomes. The Company does not undertake any obligation to release publicly any revisions to any forward-looking statement.

Competent Persons' Statement

The information in this report that relates to Exploration Results or Mineral Resources is based on, and fairly reflects, information compiled by Mr Steven Olsen who is a Member of the Australasian Institute of Mining and Metallurgy and is an employee of Rex Minerals Ltd. Mr Olsen 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Olsen 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 that relates to mining and/or Ore Reserves is based on, and fairly reflects, information compiled by Mr Charles McHugh who is a Fellow of the Australasian Institute of Mining and Metallurgy and an employee of Rex Minerals Ltd. Mr McHugh 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr McHugh 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 that relates to metallurgy is based on, and fairly reflects, information compiled by Mr John Burgess who is a Fellow of the Australasian Institute of Mining and Metallurgy and a consultant to Rex Minerals Ltd. Mr Burgess 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Burgess consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Base Case Assumptions – Bells Project

The Bells Scoping Study (2020) price assumptions are quoted in US dollars and Gold US\$1,550/oz.

Base Case Assumptions – Hillside Project

The Hillside FS (2020) price assumptions for the life of the operation are Copper US\$3.00/lb; Gold US\$1,550/oz and exchange rate of AUD:USD \$0.70.

Events since the end of the reporting period

No matters or circumstances have arisen since 31 December 2021 that have significantly affected the Group's operations, results or state of affairs.

Lead Auditor's Independence Declaration

The lead auditor's independence declaration is set out on page 19 and forms part of the Directors' report for the Half-Year ended 31 December 2021.

Signed in accordance with a resolution of the Directors:

A handwritten signature in black ink, appearing to read 'Richard Laufmann', with a long horizontal flourish extending to the right.

Richard Laufmann
Chief Executive Officer

Dated at Melbourne this 24th day of February 2022

Consolidated interim statement of financial position

As at

	Note	31 Dec 2021 \$000	30 June 2021 \$000
Current assets			
Cash and cash equivalents		52,662	9,682
Trade and other receivables		200	145
Prepayments		85	53
Total current assets		52,947	9,880
Non-current assets			
Exploration and evaluation expenditure		3,243	3,243
Property, plant and equipment		14,258	14,279
Water infrastructure		4,076	4,076
Total non-current assets		21,577	21,598
Total assets		74,524	31,478
Current liabilities			
Trade and other payables		591	617
Employee benefits		721	600
Borrowings		-	-
Total current liabilities		1,312	1,217
Non-current liabilities			
Employee benefits		87	115
Provisions		-	-
Borrowings		-	-
Total non-current liabilities		87	115
Total liabilities		1,399	1,332
Net assets		73,125	30,146
Equity			
Issued capital	6(i)	264,603	217,502
Reserves		976	846
Accumulated losses		(192,454)	(188,202)
Total equity		73,125	30,146

The condensed notes on pages 13 to 15 are an integral part of these consolidated interim financial statements.

Consolidated interim statement of profit or loss and other comprehensive income

For the six months ended

	31 Dec 2021 \$000	31 Dec 2020 \$000
Finance income	20	14
Government grants	-	48
Corporate and compliance	(586)	(404)
Depreciation expense	(23)	(31)
Employee benefits expense	(1,367)	(1,102)
Marketing expenses	(51)	(82)
Exploration and evaluation	(2,371)	(2,691)
Borrowing costs	-	(224)
Foreign currency revaluation	108	(178)
Gain on disposal of fixed assets	-	9
Loss before tax	(4,270)	(4,641)
Income tax benefit	-	-
Total loss for the period after tax	(4,270)	(4,641)
Other comprehensive income/(loss)	-	-
Total comprehensive loss attributable to members of Rex Minerals Ltd	(4,270)	(4,641)
Loss per share attributable to members of Rex Minerals Ltd		
Basic and diluted loss per share (cents)	(0.82)	(1.33)

The condensed notes on pages 13 to 15 are an integral part of these consolidated interim financial statements.

Consolidated interim statement of changes in equity

For the six months ended

	Share capital	Share based payments reserve	Accumulated losses	Total equity
	\$000	\$000	\$000	\$000
Balance at 1 July 2021	217,502	846	(188,202)	30,146
Issue of ordinary shares	50,028	-	-	50,028
Transaction costs of share issue	(2,927)	-	-	(2,927)
Share based payments compensation	-	148	-	148
Transfers from share based payments reserve	-	(18)	18	-
Total comprehensive loss for the period	-	-	(4,270)	(4,270)
Balance at 31 December 2021	264,603	976	(192,454)	73,125
Balance at 1 January 2021	208,266	902	(184,101)	25,067
Issue of ordinary shares	9,610	-	-	9,610
Transaction costs of share issue	(558)	-	-	(558)
Share based payments compensation	-	165	-	165
Transfers from share based payments reserve	184	(221)	37	-
Total comprehensive loss for the period	-	-	(4,138)	(4,138)
Balance at 30 June 2021	217,502	846	(188,202)	30,146

The condensed notes on pages 13 to 15 are an integral part of these consolidated interim financial statements.

Consolidated interim statement of cash flows

For the six months ended

	31 Dec 2021 \$000	31 Dec 2020 \$000
Cash flows from operating activities		
Cash paid to suppliers and employees	(1,818)	(1,509)
Exploration and evaluation payments	(2,578)	(2,683)
Interest received	12	17
Receipts from ATO (GST)	157	-
Government grants	-	38
Net cash from/(used in) operating activities	(4,227)	(4,137)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(2)	-
Proceeds from disposal of property, plant and equipment	-	13
Net cash from/(used in) investing activities	(2)	13
Cash flows from financing activities		
Proceeds from issue of share capital	50,028	10,929
Payment of transaction costs	(2,927)	(616)
Net cash from/(used in) financing activities	47,101	10,313
Net increase/(decrease) in cash and cash equivalents	42,872	6,189
Cash and cash equivalents at beginning of the period	9,682	2,990
Effect of movement in exchange rates	108	(178)
Cash and cash equivalents at period end	52,662	9,001

The condensed notes on pages 13 to 15 are an integral part of these consolidated interim financial statements.

Condensed notes to the consolidated interim financial statements

1. Reporting entity

Rex Minerals Ltd (Rex or the Company) is a company domiciled in Australia. The address of the Company's registered office is 68 St Vincent Highway, Pine Point, South Australia, 5571. The consolidated financial statements as at and for the six month period ended 31 December 2021 comprise the Company and its subsidiaries (together referred to as the Group and individually as Group entities). The Group is a for profit entity primarily involved in minerals exploration and evaluation in Australia and USA.

The consolidated annual financial statements of the Group as at and for the year ended 30 June 2021 are available upon request from the Company's registered office or at 'www.rexminerals.com.au'.

2. Basis of preparation

a) Statement of compliance

The consolidated interim financial statements have been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended 30 June 2021. The consolidated interim financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated annual financial statements of the Group as at and for the year ended 30 June 2021.

These consolidated interim financial statements were approved by the Board of Directors on 24 February 2022.

b) Basis of measurement

The Group financial statements have been prepared on the historical cost basis.

The Group financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

3. Significant accounting policies

The accounting policies applied by the Group in preparing the consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 30 June 2021.

4. Estimates

The preparation of the consolidated interim financial statements requires Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing these consolidated interim financial statements, the significant judgements made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 30 June 2021.

5. Operating segments

The Group has two reportable segments for the Half-Year ended 31 December 2021, which are the Group's areas of exploration focus. The areas offer different exploration potential and are managed separately due to their physical locations. In South Australia, the Group has the Hillside Copper-Gold Project and also its highly prospective exploration portfolio; whilst in Nevada, USA the Group has the Hog Ranch Property, where the focus is on gold exploration in four key project areas. For each reportable segment, the CEO reviews internal management reports on at least a quarterly basis.

	South Australia \$000	Nevada, USA \$000	Unallocated \$000	Total \$000
31 December 2021				
Finance income	-	-	20	20
Losses before tax (including depreciation and interest expense)	1,376	1,511	1,383	4,270
Depreciation	20	-	3	23
31 December 2020				
Finance income	-	-	14	14
Government grants	-	-	48	48
Losses before tax (including depreciation and interest expense)	741	2,497	1,403	4,641
Depreciation	27	-	4	31
Interest expense	-	-	223	223

6. Issued capital and reserves

(i) Movements in shares on issue:

	Date of issue	No. of shares	Issue price	\$000
Opening balance at 1 July 2021		422,320,920		217,502
Issue of shares	11/08/2021	17,827,303	0.300	5,348
Cost of issue	11/08/2021			(346)
Issue of shares	17/09/2021	148,839,364	0.300	44,652
Cost of issue	17/09/2021			(2,581)
Exercise of options	28/09/2021	333,333	0.084	28
Closing balance at 31 December 2021		589,320,920		264,603

	Date of issue	No. of shares	Issue price	\$000
Opening balance at 1 January 2021		376,237,586		208,266
Exercise of options	16/02/2021	333,333	0.084	28
Conversion of HRCR	23/03/2021	5,000,000	0.037	184
Exercise of options	23/03/2021	1,166,667	0.070	82
Issue of shares	23/04/2021	39,583,334	0.240	9,500
Cost of issue	23/04/2021			(558)
Closing balance at 30 June 2021		422,320,920		217,502

6. Issued capital and reserves (cont)

(ii) Movements in options on issue:

	Date of issue	No. of options	Exercise price	Expiry date
Opening balance at 1 July 2021		17,133,334		
Exercise of options	14/02/2019	(333,333)	0.084	31/01/2023
Lapse of options	06/03/2020	(500,000)	0.070	29/02/2024
Issue of options	26/11/2021	280,000	0.330	24/11/2025
Closing balance at 31 December 2021		16,580,001		

	Date of issue	No. of options	Exercise price	Expiry date
Opening balance at 1 January 2021		18,433,334		
Exercise of options	14/02/2019	(333,333)	0.084	31/01/2023
Exercise of options	06/03/2020	(1,166,667)	0.070	29/02/2024
Issue of options	28/05/2021	200,000	0.470	28/05/2025
Closing balance at 30 June 2021		17,133,334		

(iii) Movements in Hog Ranch Consideration Rights:

	Date of issue	No. of rights	Exercise price	Expiry date
Opening balance at 1 July 2021		15,000,000		
Closing balance at 31 December 2021		15,000,000		
Opening balance at 1 January 2021		20,000,000		
Conversion of HRCR	25/11/2019	(5,000,000)		31/10/2024
Closing balance at 30 June 2021		15,000,000		

As announced to the ASX on 25 November 2019, the Company completed the acquisition of Hog Ranch Group Pty Ltd and has issued 20 million Hog Ranch Consideration Rights (HRCR) which convert to Rex shares on the outcome of the following milestones:

- 5 million HRCR on announcement by Rex to the ASX by no later than 31 October 2024 on completion of an Inferred Mineral Resource in addition to any Indicated and Measured Mineral Resource in total of 2Moz or higher of contained gold as defined by the 2012 JORC Code with respect to the Hog Ranch Property and has a minimum grade of 0.4 g/t of gold in addition to a minimum tonnage of 100 Mt; and
- 15 million HRCR on announcement by Rex to the ASX by no later than 31 October 2024 of the Board approving a decision to mine the Hog Ranch Property.

During the Half-Year, no HRCR were converted or cancelled as milestone a. was previously achieved on 23 March 2021 and milestone b. is yet to be achieved by the Company.

7. Contingencies

The Directors are of the opinion that there are no matters for which provision is required in relation to any contingencies, as it is not probable that a future sacrifice of economic benefit will be required, or the amount is not capable of reliable measurement.

The Group's bankers have provided guarantees amounting to \$20,000 to certain Government bodies as security over the Group's performance of rehabilitation obligations on certain tenements. Under the agreement, the Group has indemnified the bank in relation to these guarantees. The guarantees are backed by deposits amounting to \$20,000 as at 31 December 2021.

8. Subsequent events

No matters have arisen since the end of the reporting period which may affect the operations, results, or state of affairs of the Group in future periods.

Directors' declaration

In the opinion of the Directors of Rex Minerals Ltd (the Company):

1. the consolidated interim financial statements and notes set out on pages 9 to 15 are in accordance with the *Corporations Act 2001*, including:
 - a) giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance, for the half-year ended on that date; and
 - b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:



Richard Laufmann
Chief Executive Officer

Dated at Melbourne this 24th day of February 2022.



Independent Auditor's Review Report

To the shareholders of Rex Minerals Ltd

Conclusion

We have reviewed the accompanying **Interim Financial Report** of Rex Minerals Ltd and its subsidiaries (the "Group").

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Consolidated Interim Financial Report of the Group is not in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Group's** financial position as at 31 December 2021 and of its performance for the Half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Interim Financial Report** comprises:

- Consolidated Interim Statement of Financial Position as at 31 December 2021;
- Consolidated Interim Statement of Profit or Loss and other Comprehensive Income, Consolidated Interim Statement of Changes in Equity and Consolidated Interim Statement of Cash Flows for the Half-year ended on that date;
- Notes 1 to 8 comprising a summary of significant accounting policies and other explanatory information; and
- The Directors' Declaration.

The **Group** comprises Rex Minerals Ltd (the Company) and the entities it controlled at the Interim Period's end or from time to time during the Interim Period.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements.



Responsibilities of the Directors for the Interim Financial Report

The Directors of the Group are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*; and
- for such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2021 and its performance for the Interim Period ended on that date, and complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*.

A review of an Interim Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG

Paul Cenko
Partner

Adelaide
24 February 2022



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Rex Minerals Ltd

I declare that, to the best of my knowledge and belief, in relation to the review of Rex Minerals Ltd for the half-year ended 31 December 2021 there have been:

- i. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

A stylized, handwritten version of the KPMG logo in black ink, with the letters 'KPMG' and a vertical bar to the left.
KPMG

A handwritten signature in black ink, appearing to read 'Paul Cenko'.

Paul Cenko
Partner

Adelaide
24 February 2022