



Quarterly Activities Report for the period ended 31 March 2023

ASX Release: 28 April 2023

Hillside Copper pushing forward

Rex Minerals Limited

ASX: RXM | OTCQB: RXRLF
ABN 12 124 960 523

Directors

Ian Smith, NED (Chairman)
Richard Laufmann, CEO/MD
Amber Rivamonte, CFO/ED
Gregory Robinson, NED
Andrew Seaton, NED

Shares on Issue 592,787,587
Options 21,113,334
HRCR¹ 15,000,000

Share Price Activity

March 2023 Quarter

Low 21.5c
High 33.0c
Last 24.5c

Cash & cash equivalent

\$12.8M at 31 March 2023

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Highlights

Hillside Copper-Gold Project, South Australia (100%)

- Partnering process managed by Macquarie Capital – a broad range of highly credible parties reviewing data
- Senior Debt Funding process continuing in parallel with partnering process – global and local Tier 1 banks participating
- All key primary permits and the rehabilitation Bond are now in place to commence construction and operations
- Hillside Independent Technical Expert appointed – Behre Dolbear Australia
- Settlement for Stage 1 land acquisitions for Hillside completed – Rex owns all the freehold land required for Stage 1.

Corporate

- Cash & cash equivalent as at 31 March 2023 was \$12.8M
- Rex released its December 2022 Half-Year Report on 2 March 2023
- Following announcement of partnering process with Macquarie, Rex released an updated Corporate Presentation
- Rex presented at the international Mining Journal Select London Conference on 27 March 2023.

¹ Hog Ranch Consideration Rights

Hillside Copper-Gold Project, South Australia (100% equity)

Rex Minerals (Rex or the Company) has received numerous inbound project participation and product offtake enquiries for its flagship Hillside Copper-Gold Project in South Australia.

Formal Project Partner Process: As announced on 6 February 2023, the Company has commenced a formal process to assess partnering options for Hillside. Macquarie Capital has been appointed as financial adviser to assist in the managing of the partnering process. At the time of writing, a broad range of highly credible parties are evaluating the information provided in the data room. Participants include Tier 1 mining companies, private equity groups, and metals trading houses and refiners. Rex intends to engage with credible parties with a strong interest in the future of copper and in partnering at Hillside, and who can meaningfully enhance the value of the Project for Rex shareholders.

Senior Debt Funding Process: This is already running in parallel with the partnering process, with strong interest received from Tier 1 project finance lenders to Australian miners, including international and domestic major banks. Behre Dolbear Australia has been appointed to act as the Lenders' Independent Technical Expert (ITE) to conduct technical due diligence and produce an ITE report suitable for financing purposes.

Hillside Engineering: Project Engineering advances well with the Project detailed engineering at 30% complete for the process plant and associated infrastructure. Purchase of vendor data has allowed engineering to progress as the plan is to be substantially engineered and ready to award vendor equipment packages by mid-CY2023. The site wide bulk earthworks package is out for tender for award by mid-CY2023.

Freehold Land: During 2022, Rex finalised contractual negotiations for the land required for the processing plant and road diversion (south of the Project). Settlement for these land parcels occurred in the March quarter following completion of the 2022 crop harvests. This key initiative has ensured Rex now owns all the freehold land required for Stage 1 of the Hillside Project.

Operational Readiness: Key regulatory approvals are in place to allow commencement of development and operations including finalising the arrangements for the \$34.2 million rehabilitation Bond.

People: Consistent with the pre-development timeline, and as the Project moves from Study to Development, the Company is continuing to build a strong technical and financial team in South Australia. The roles of Commercial Manager and Head of Mining Operations were filled during the period.

Background on Hillside

Rex's Hillside Project on the Yorke Peninsula in South Australia is one of the most significant copper-gold development projects in Australia, and one of the biggest Ore Reserves² in Australia – after Olympic Dam and Carrapateena – both also located in South Australia.

South Australia is a politically stable First World location with well-developed infrastructure. This infrastructure includes an existing electricity grid, roads, water and a skilled labour pool. The Hillside Project will be well serviced by this infrastructure. Further, the Hillside Project offers a high probability of future Mineral Resource growth and Mineral Resource to Ore Reserve conversion.

² ASX Announcements: Hillside Doubles Ore Reserves, 20 July 2021; 2022 Hillside Mineral Resource and Ore Reserve Statement, 14 December 2022

Based on Hillside's 989kt copper Ore Reserve²:

- Stage 1 mine life of 11 years and includes 151kt of copper-gold concentrate. The high-quality concentrate to contain annual payable metal after ramp-up of approximately 42kt of copper and 30koz of gold, with an average concentrate grade of 27% copper
- A subsequent Stage 2, based on current Ore Reserves and Mineral Resources², is contemplated.

Mining operations to comprise conventional open pit extraction utilising large-scale trucks loaded by excavator. A conventional flotation processing method has been chosen as the most technically and economically viable method for the separation of copper from the ore. Process tailings to be delivered to a dedicated Tailings Storage Facility. Concentrate to be trucked by road and subsequently shipped to market regularly from Port Adelaide.

Community Engagement

The first meeting of the Hillside Mine Community Consultative Committee (HMCCC) was held on 6 February 2023, and members of the Committee were announced.

The HMCCC replaces the former Hillside Mine Community Voice (HMCV) and has been established to ensure an effective and ongoing relationship between Rex and the Yorke Peninsula community, particularly those residents surrounding the Hillside Mine.

The HMCCC will consider the common interests of the community and provide feedback and advice to Rex to assist with Rex's decision-making and operational activities at the mine site that are ultimately of interest or benefit to the wider community.



Members of the HMCCC following their appointment in February 2023

Also during the quarter, on 14 March, the Narungga Nation consent determination was held at Point Pearce which Rex supported.



Narungga people pictured alongside Federal Court of Australia representatives at the handing down of the determination, including a photo of Tauto Sansbury.

Rex Minerals would like to honour the memory of Tauto Sansbury, a tireless campaigner for the Narungga and all Aboriginal people. Tauto is survived by his partner Grace (*photo published with permission of the family*).

Hog Ranch Gold Property, Nevada USA (100% equity)

Hog Ranch is an emerging gold property in Nevada, with a JORC compliant Mineral Resource of 2.2Moz gold. In addition to a start-up production option, this “camp” scale trend offers clear upside to build upon the resource with ongoing exploration expenditure.

The Company has made the decision – as it has done with respect to the Hillside Copper-Gold Project – that in order to create shareholder value, a more formalised process in relation to the Hog Ranch Property could be value generating. Pathways may include project partnering, corporate spin-out or outright sale. We are close to finalising a process which is anticipated to take approximately four months to complete.

Nevada is a mining jurisdiction within which there are many large-scale and successful third-party gold mining operations. Many of these operations utilise Heap Leach Extraction technology which can deliver low-cost production.



From left to right: Kathy Benedetto (WMC representative), Laura Granier (WMC representative), Congressman for Northern Nevada Mark Amodei, Cherie Leeden (Hog Ranch Director & WMC representative).



From left to right: Nevada Senator Jacky Rosen, Cherie Leeden (Hog Ranch Director & WMC representative), Terri West (WMC representative), Nevada Senator Catherine Cortez-Masto.



Cherie Leeden and Debra Struhsacher (Women's Mining Coalition – Board of Directors) in Washington DC, advocating for the US minerals sector on behalf of the Women's Mining Coalition for bipartisan support on several key issues.

CORPORATE

On 13 February 2023, following recent announcements to the ASX, Rex released an updated Company presentation.

On 27 March 2023, Rex presented to the Mining Journal Select London Conference. Peter Bird, EGM Investor Relations & Business Development, provided an update on the Company and its two flagship projects. The Conference was held over two days with a focus on private and institutional investors and provided both online and in-person meeting opportunities.

Financial Information

The Company's cash position as at 31 March 2023 was \$12.8M. The Appendix 5B – Statement of Consolidated Cash Flows is attached to this Quarterly Activities Report.

Information disclosed in the Cash Flow Report for the quarter ended 31 March 2023 includes:

- Exploration and Evaluation expenditure during the quarter of \$2.8M
- Pre-development activity expenditure is included within Property, Plant and Equipment and totals \$10.084M for the quarter. Rex finalised contractual negotiations for the freehold land required for the processing plant and road diversion in 2022. Cash outflows for the settlement of these land parcels occurred in the March quarter following the 2022 crop harvests. This key initiative has ensured Rex now owns all the freehold land required for Stage 1 of the Hillside Project

- There were no mine production or mine development activities during the quarter
- Payments to related parties of Rex and its associates during the quarter were \$0.257M. The Company advises that this relates to Executive Directors' salaries, Non-Executive Directors' fees and related superannuation.

Option Incentive Plan (OIP)

During the March Quarter, no unquoted options were exercised or issued under the Company's Option Incentive Plan.

Hog Ranch Consideration Rights

At the beginning of the quarter, the Company had on issue 15 million Hog Ranch Consideration Rights (HRCR), which will convert to Rex shares upon the single remaining milestone, namely announcement by Rex to the ASX, by no later than 31 October 2024, that the Board has approved a decision to mine the Hog Ranch Property.

TENEMENT SCHEDULES AT 31 MARCH 2023

Hillside, SA					
Tenement	Location	Lease Status	Area Type	Current Area	Expiry Date
EL5981*	Moonta South	Granted	km ²	68	22/06/2022
EL6136*	Moonta South	Granted	km ²	91	19/03/2023
EL6143	Moonta South	Granted	km ²	51	15/04/2023
EL6189*	Moonta South	Granted	km ²	328	01/08/2022
EL6245*	Moonta South	Granted	km ²	1,091	01/08/2022
EL6455	Moonta South	Granted	km ²	74	04/11/2024
EL6497	Moonta South	Granted	km ²	254	27/07/2025
EL6515*	Moonta South	Granted	km ²	257	20/09/2022
EL6531	Moonta South	Granted	km ²	21	09/06/2025
ML6438	Hillside	Granted	Ha	2,998	15/09/2035
EML6439	Hillside	Granted	Ha	225	15/09/2026
MPL146	Hillside	Granted	Ha	94	15/09/2035

* Renewal documentation submitted to the SA Government and currently being processed

As at 31 March 2023, the Hog Ranch Property is made up of 1,035 unpatented mining claims located in Washoe County, Nevada, USA. Hog Ranch Minerals Inc directly owns 788 Mining Claims (see table below) and controls the remaining 247 Mining Claims through a mining lease with purchase option with Nevada Select Royalty Inc.

Nevada, USA					
Lode Mining Claims	Location	Lease Status	Area Type	Total Area ¹	Date Certified
NHR 1 – 30	Washoe County	Claimed	Ft ²	27,000,000	10/08/2019
NHR 31 – 100	Washoe County	Claimed	Ft ²	63,000,000	28/01/2020
NHR 101 – 232	Washoe County	Claimed	Ft ²	118,800,000	10/07/2020
NHR 233 – 417	Washoe County	Claimed	Ft ²	166,500,000	19/11/2020
NHR 418 – 434	Washoe County	Claimed	Ft ²	15,300,000	30/04/2021
GL 1 – 104	Washoe County	Claimed	Ft ²	93,600,000	10/07/2020
GL 105 – 177	Washoe County	Claimed	Ft ²	65,700,000	19/11/2020
GL 178 – 354	Washoe Country	Claimed	Ft ²	159,300,000	30/04/2021

¹ Total Area comprises the area of each Lode Mining Claim, ie. 1500' x 600'

SUPPLEMENTARY INFORMATION

Forward-Looking Statements

This announcement contains “forward-looking statements”. All statements other than those of historical facts included in this announcement 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’ Report – Hillside

The information in this report that relates to Ore Reserves is based on information compiled by Mr Charles McHugh who is a Fellow of the Australasian Institute of Mining and Metallurgy and is 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 their information in the form and context in which it appears.

The information in this report that relates to Exploration Results or Mineral Resources is based on 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 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.

Competent Person’s Statement - Hog Ranch

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 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.

CORPORATE INFORMATION

ASX: RXM | OTCQB: RXRLF

Board of Directors

Ian Smith, Non-Executive Chairman
Richard Laufmann, Chief Executive Officer & Managing Director
Amber Rivamonte, Chief Financial Officer & Executive Director of Finance
Greg Robinson, Non-Executive Director
Andrew Seaton, Non-Executive Director

Share Registry

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

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For further information, please contact:

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Rex Minerals Ltd

ABN

12 124 960 523

Quarter ended ("current quarter")

March 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(2,800)	(12,709)
(b) development	-	-
(c) production	-	-
(d) staff costs	(1,207)	(3,249)
(e) administration and corporate costs	(541)	(1,601)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	117	460
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	51
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(4,431)	(17,048)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(10,084)	(11,901)
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	(2,300)	(2,300)
2.6	Net cash from / (used in) investing activities	(12,384)	(14,201)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	9
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	9

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	29,614	44,139
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(4,431)	(17,048)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(12,384)	(14,201)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	9

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	10	(90)
4.6	Cash and cash equivalents at end of period	12,809	12,809

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	12,809	29,614
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	12,809	29,614

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	257
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Payments at Item 6.1 relate to remuneration payments for Directors for the quarter.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(4,431)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(4,431)
8.4 Cash and cash equivalents at quarter end (item 4.6)	12,809
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	12,809
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.9
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 April 2023



Authorised by: K Donehue, Company Secretary
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, 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. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.