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Drilling Results to increase Ore Reserves at Hillside

- **Positive drilling results have given Rex confidence to increase guidance on the size and quality of the Ore Reserves at Hillside as part of the Bankable Feasibility Study.**
- **Recent drilling results have shown excellent conversion of Mineral Resources into Ore Reserves and continue to improve confidence in the orebody and production schedule.**
- **Detailed drilling of 12 year open pit design near to completion with final results and details to be released in the next quarter.**
- **Debt funding capacity and the balance of the required funding further enhanced as Rex aims to deliver Australia's largest Ore Reserves outside of Olympic Dam in 2013.**

Rex Minerals Ltd ("Rex" or the "Company") has received the bulk of the drilling results required to deliver an updated Mineral Resource and Ore Reserve estimate later in the year as part of the Hillside Bankable Feasibility Study. The results have shown that the modelling of the Hillside orebody continues to be robust and well understood, with detailed drilling of the 12 year open pit design further confirming the modelled interpretation.

Managing Director Mr Mark Parry said "The results have been specifically targeted at Rex's 12 year open pit design and we are now confident of significantly increasing the Ore Reserve base next quarter. Importantly, these results will further de-risk and build confidence in Hillside which will continue to open up more sources of funding for the development of Hillside."

The drilling program and the corresponding latest results (Table 1) were designed to infill the gaps in the existing 12 year open pit design. This drilling program is now nearing completion, and once finalised, Rex will endeavour to upgrade all of the Inferred Resources in this area to the Indicated category, and subsequently into an Ore Reserve estimate.

In addition to the drilling program designed to increase the Ore Reserve base at Hillside, Rex has also completed work on understanding more detail associated with the ore Reserve that is scheduled to be mined within the first few years of production. This drilling program was based on decreasing the drill spacing from 50m spacing to 25m spacing between drill holes. The intention of this drilling program was to further improve the confidence of the ore body and production scheduled in the early years of mining at Hillside.

The results from this infill drilling showed less than 10% variation in the Mineral Resource across both tonnes and grade, and accordingly, demonstrated that the geological interpretation and geological model did not materially change. On the basis of these drilling results, Rex now anticipates that it will also be able to convert a significant portion of the Indicated Mineral Resource into the Measured Resource category, particularly focussed on the shallow ore which is scheduled for the early years of production under the current mine plan at Hillside. A portion of Measured Resource will enable Rex to deliver, for the first time a significant Proven Ore Reserve, in addition to the larger Probable Ore Reserve base after the final drilling results are received.

The finalisation of this program and an updated Mineral Resource and Ore Reserve are expected in the next quarter.

Table 1: Significant drilling results from the recent detailed drilling program of the 12 year open pit

HOLE ID	FROM (m)	TO (m)	INTERVAL (m)	Cu (%)	Au (g/t)	Fe (%)	CuEq (%)	Structure
HDD-534	145	174	29	1.0	0.1	27	1.4	Songvaar (p)
<i>including</i>	<i>159</i>	<i>165</i>	<i>6</i>	<i>2.0</i>	<i>0.1</i>	<i>35</i>	<i>2.5</i>	<i>Songvaar (p)</i>
HDD-543	106	156	50	1.1	1.2	21	2.0	Parsee (p)
<i>including</i>	<i>140</i>	<i>155</i>	<i>15</i>	<i>2.7</i>	<i>3.3</i>	<i>22</i>	<i>4.7</i>	<i>Parsee (p)</i>
HDD-544	327	339	12	1.7	0.9	15	2.4	Zanoni (p)
HDD-545	15	67	52	1.2	0.4	26	1.7	Songvaar (s)
<i>including</i>	<i>39</i>	<i>48</i>	<i>9</i>	<i>2.0</i>	<i>0.4</i>	<i>39</i>	<i>2.7</i>	<i>Songvaar (s)</i>
	117	136	19	1.1	0.4	37	1.8	Songvaar (p)
<i>including</i>	<i>130</i>	<i>134</i>	<i>4</i>	<i>2.2</i>	<i>0.4</i>	<i>33</i>	<i>2.8</i>	<i>Songvaar (p)</i>
HDD-547	142	149	7	1.4	0.6	20	2.0	Parsee (p)
HDD-549	129	185	56	0.8	0.2	25	1.2	Songvaar (p)
<i>including</i>	<i>129</i>	<i>142</i>	<i>13</i>	<i>1.2</i>	<i>0.4</i>	<i>30</i>	<i>1.8</i>	<i>Songvaar (p)</i>
	<i>153</i>	<i>164</i>	<i>11</i>	<i>1.1</i>	<i>0.2</i>	<i>21</i>	<i>1.5</i>	<i>Songvaar (p)</i>
HDD-554	202	218	16	1.0	0.3	29	1.5	Songvaar (p)
HDD-555	677	728	51	0.6	-	20	0.9	Omero (p)
<i>including</i>	<i>702</i>	<i>706</i>	<i>5</i>	<i>1.1</i>	<i>0.2</i>	<i>27</i>	<i>1.6</i>	<i>Omero (p)</i>
	<i>716</i>	<i>721</i>	<i>5</i>	<i>1.1</i>	<i>-</i>	<i>42</i>	<i>1.6</i>	<i>Omero (p)</i>
HDD-557	28	35	7	-	1	9	0.6	Parsee (s)
HDD-562	221	269	48	0.8	0.2	18	1.1	Songvaar (p)
<i>including</i>	<i>248</i>	<i>265</i>	<i>17</i>	<i>1.2</i>	<i>0.2</i>	<i>21</i>	<i>1.6</i>	<i>Songvaar (p)</i>
HDD-563	334	363	29	1.1	0.1	14	1.3	Parsee (p)
<i>including</i>	<i>339</i>	<i>343</i>	<i>4</i>	<i>2.9</i>	<i>0.1</i>	<i>23</i>	<i>3.3</i>	<i>Parsee (p)</i>
	<i>352</i>	<i>358</i>	<i>6</i>	<i>1.9</i>	<i>0.1</i>	<i>16</i>	<i>2.2</i>	<i>Parsee (p)</i>
HDD-564	292	301	9	0.8	0.4	21	1.3	Parsee (p)
	311	322	11	1.0	0.5	23	1.6	Parsee (p)

(p) = Primary Mineralisation (s) = Supergene Mineralisation

* All intercepts reported are down hole unless otherwise specified

Competent Persons' Report – Mineral Resources

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

About Rex Minerals and the Hillside project:



Rex is an exploration company focused on the development of its 100% owned flagship project at Hillside. The Hillside project is situated 12km south of the township of Ardrossan on the Yorke Peninsula, South Australia. The Hillside deposit is a recent discovery hidden by a rock sequence which is approximately 20m thick, covering the copper, gold, and iron ore mineralisation beneath.

The Hillside project is one of many potential large-scale copper-gold projects on the Yorke Peninsula within Rex's 100% owned exploration licences on the Yorke Peninsula. The copper-gold targets in the area are typically defined using detailed gravity and magnetic surveys.

The Hillside project and the other copper targets on the Yorke Peninsula have a number of key advantages compared to many other

new copper development opportunities around the world.

These include:

- ✓ **Infrastructure** - The Hillside project is connected by a major highway (within a 2 hour drive) to the city of Adelaide (population 1.2 million).
- ✓ **People and Equipment** - The Hillside project has the potential to draw most of the required skilled labour and equipment from Adelaide and the surrounding country towns close to the project.
- ✓ **Power** - The area is connected to the State's main power grid.
- ✓ **Port and Town** - The Hillside project is 12 kms from the Port and Town of Ardrossan. Ardrossan is a community familiar with mining given that an open cut dolomite mine is nearby and this mine ships its product through the Port.
- ✓ **Freehold Land** - Rex has purchased freehold land which covers in excess of 70% of the known and potential copper mineralisation at the Hillside.

Rex's vision is to establish a new large-scale and long life copper mine in South Australia. The combined attributes of a large Resource base and key logistical advantages position Hillside in a unique and financially attractive position compared with other new copper developments across the globe.