

ASX and Media Release: 30 January 2008

Quarterly Activities Report - for the period ending 31 December 2007

HIGHLIGHTS

- **Copper (Cu) mineralisation intersected in diamond drilling at the Hillside Project in South Australia:**
 - 18m @ 0.2% Cu including 0.78m @ 2.2% Cu.
 - Results from two out of four drill holes still pending.
- Drilling has commenced at St Arnaud in Victoria.
- Rex enters a new agreement with Stellar Resources, enabling Rex to maintain 100% ownership of an iron ore exploration project near Cowell, South Australia.
- The Company held \$6.27 million in cash reserves at the end of the quarter.

CORPORATE

Rex has entered into a new agreement with Stellar Resources Limited (Stellar), which will enable Rex to maintain 100% ownership of an iron ore target on the Eyre Peninsula in South Australia. The previous agreement gave Stellar the ability to earn 75% of three exploration licences (EL 3978, EL 3148 and EL3418) with a focus on Iron-Oxide-Copper-Gold (IOCG) and Iron Ore targets. The new agreement will enable Stellar to earn 100% of two licences (EL 3978 and EL 3148) after expenditure of \$300,000, with Rex maintaining 100% ownership of EL 3418. Rex will maintain a 2% net smelter return on EL 3978 and EL 3148 and Stellar will earn a 2% net smelter return on EL 3418.

PROJECTS

Moonta South

Rex completed its first drilling program at the Hillside Project (Figure 1) in the Moonta South licences in South Australia during the quarter. An announcement on 21 January gave details of the initial drilling results from two of the four drill holes completed in this program. HDD002 intersected significant visible copper minerals (Figure 2) with assay results for HDD002 returning an intersection of 18m @ 0.2% Cu including 0.78m @ 2.2% Cu.

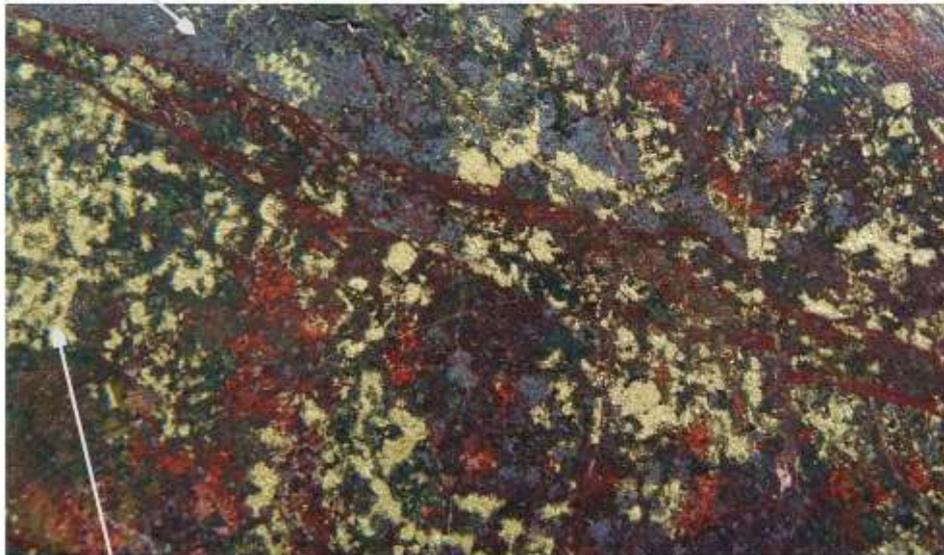
HDD004 intersected a number of thick zones containing visible iron rich minerals (specular haematite) and disseminated copper minerals (chalcopyrite). Assay results for HDD004 are pending.

The combined iron and copper mineralisation is interpreted to be the cause of a broad gravity anomaly which was identified in a gravity survey completed in 2006. Rex is planning to complete a more detailed gravity survey over the area along with some aircore drilling to define the highest concentration of copper mineralisation near surface and enable a more detailed interpretation of the gravity anomaly. This will enable Rex to more effectively focus the next stage of a diamond drilling program scheduled for the June 2008 quarter.



Figure 1: Titeline drill rig at the Hillside prospect, South Australia, drilling HDD002, next to the historical Hillside Copper Mine (stockpile to the right), and with a view of the coastline which is approximately 1km to the east of the project area.

Specular Haematite (Iron rich mineral)



Chalcopyrite (Copper rich mineral)

Figure 2: Drill core from HDD002 at 304.5m showing visible chalcopyrite (assays returned 2.2% Cu).

St Arnaud

Drilling commenced at St Arnaud in Victoria on 4 January, 2008. A large program is planned for the March 2008 quarter, focussed on three of the more significant historical mines, near the Lord Nelson mine (historically produced 300,000ozs at a recovered grade of 15.8g/t).

Drilling rates are progressing well due to the excellent effort by Titeline Drilling, which may give Rex the ability to test additional targets at St Arnaud or move the drill rig back to South Australia earlier than scheduled.



Figure 3: *Titeline drill rig at the St Arnaud Bristol project situated approximately 3km to the north-west of the township of St Arnaud.*

Cowell Iron Ore

Rex has renegotiated a Joint Venture with Stellar to maintain ownership of licence EL3418. This licence is interpreted to host the extension of the Middleback Range iron formation, underneath up to 100m of cover sediments. Rex intends to complete magnetic and gravity surveys in EL3418 to determine the potential for large scale iron ore deposits to exist underneath the cover sediments. The Middleback Ranges have recorded production of over 200Mt of high grade (>60% Fe) iron ore.

The iron formations of the Eyre Peninsula have recently become the focus of increased exploration by numerous companies due to their potential to host high grade iron ore deposits and their proximity to established infrastructure, including rail, road and a large operating port facility at Whyalla.

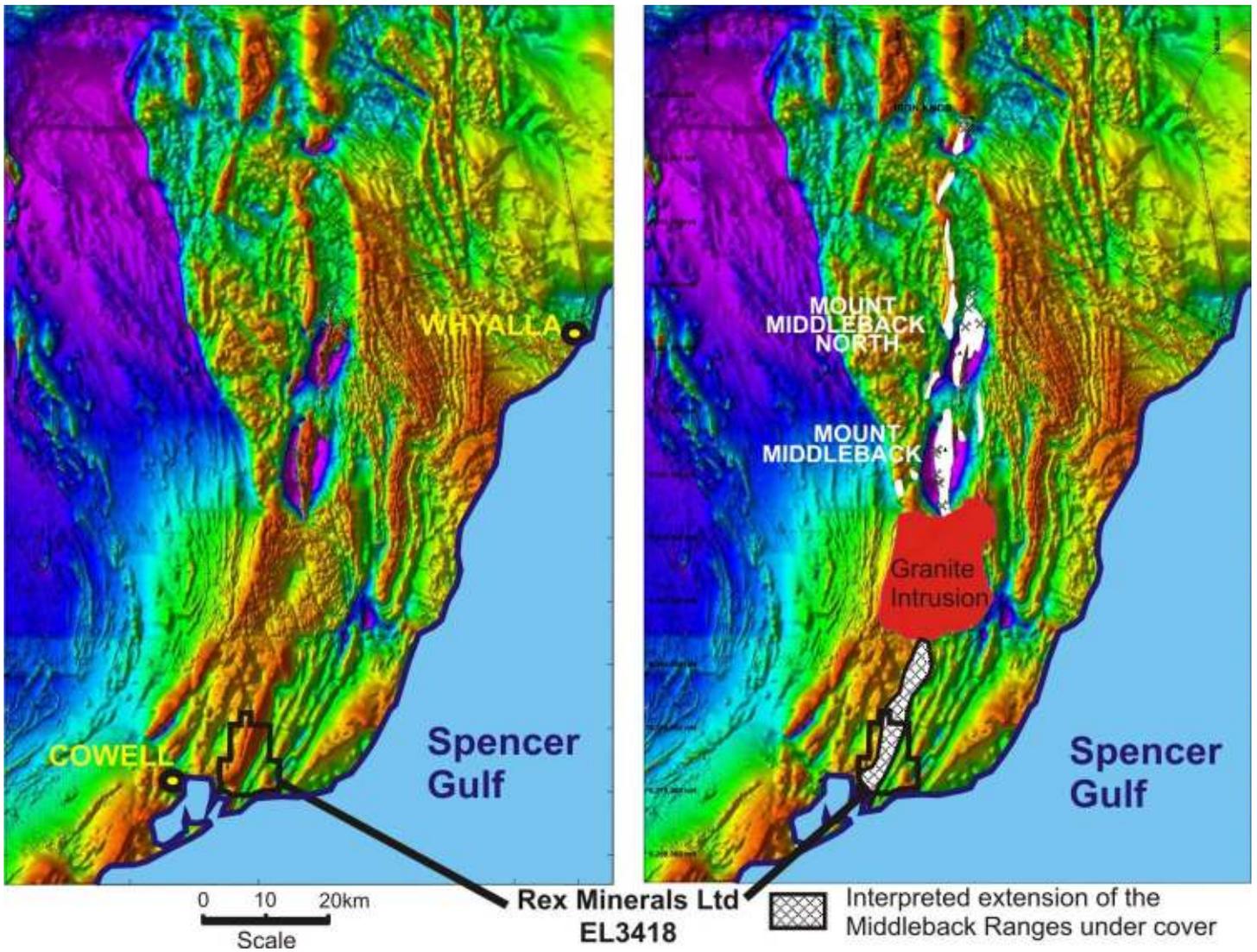


Figure 4: Magnetic image of the Eyre Peninsula, South Australia to highlight the position of the iron formations that exist between Cowell and Whyalla, including the interpreted position of the iron formation within EL3418.

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

Steven Olsen (Managing Director) or Amber Rivamonte (Company Secretary)

Phone: 03 5337 4000

E-mail: info@rexminerals.com.au

Background

Rex listed on the ASX in September, 2007 with 52 million shares on issue, raising \$7 million. The Company established a drilling alliance with Titeline drilling, which has secured the services of at least one drill rig for two years.

Rex is focussed on Cu-Au projects in South Australia and gold projects in Victoria. Rex is searching for the Iron Oxide Copper Gold (IOCG) style of mineralisation at its 100% owned Moonta South (including the Hillside Project) and Wandearah projects in South Australia. IOCG mineralisation and alteration is typical of the Olympic Dam and Prominent Hill deposits.

Rex also has 100% ownership of two gold projects in Victoria, which are the St Arnaud project and the North Creswick project. The St Arnaud project produced over 360,000ozs historically at an average recovered grade of over 15g/t. Rex is looking for geological repeats of the historical mineralisation at St Arnaud. At the North Creswick project, historical mining produced 1.7Mozs of gold, from ancient river channels under a cover sequence of more recent rocks. Rex is looking for new structures underneath the large gold deposits at North Creswick in an attempt to discover new large quartz hosted gold deposits similar to what has been identified at Ballarat.

The information in this report that relates to Exploration Results 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.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

REX MINERALS LTD

ABN

12 124 960 523

Quarter ended ("current quarter")

31 DECEMBER 2007

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	(90)	(131)
(b) development	-	-
(c) production	-	-
(d) administration	(259)	(376)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	3	3
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(346)	(504)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects	-	-
(b)equity investments	-	-
(c) other fixed assets	(247)	(330)
1.9 Proceeds from sale of: (a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(247)	(330)
1.13 Total operating and investing cash flows (carried forward)	(593)	(834)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(593)	(834)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	7,160
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	(372)	(487)
	Net financing cash flows	(372)	6,673
	Net increase (decrease) in cash held	(965)	5,839
1.20	Cash at beginning of quarter/year to date	7,236	432
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	6,271	6,271

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	97.5
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	1,790
4.2	Development	-
Total		1,790

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	6,271	7,236
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	6,271	7,236

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1		Interests in mining tenements relinquished, reduced or lapsed		
6.2		Interests in mining tenements acquired or increased		

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	51,565,000	51,565,000		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	7,500,000	-	<i>Exercise price</i>	<i>Expiry date</i>
7.8 Issued during quarter	300,000	-	36.5 cents	30 June 2011
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Date: 30 JANUARY 2008

(Company secretary)

Print name: Amber Rivamonte

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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