



ABN 12 124 960 523

ASX Release: 31 October 2017

## Quarterly Activities Report for the period ended 30 September 2017

T +61 (0)8 8299 7100  
P PO Box 3435 Rundle Mall  
South Australia 5000  
E [rex@rexminerals.com.au](mailto:rex@rexminerals.com.au)  
W [www.rexminerals.com.au](http://www.rexminerals.com.au)

### HIGHLIGHTS

- Rex Minerals (Rex or the Company) has submitted the Hillside Copper-Gold Project Social Management Plan to the South Australian Government.
- At the request of Rex Minerals and the local community, and in the interest of a robust process, the SA Government has extended the date for submission of the Hillside Program for Environment Protection and Rehabilitation (PEPR) to 26 February 2018.
- Community consultation in respect of the PEPR is ongoing. Rex is confident it will deliver the PEPR before the 26 February date.
- Rex's Annual General Meeting of Shareholders is set for 24 November 2017. Shareholders are encouraged to attend.

### CORPORATE

Rex's Annual General Meeting of Shareholders will be held at the offices of Baker McKenzie, level 19, 181 William Street, Melbourne at 11.00am on Friday 24 November 2017. The Directors and Senior Management of Rex look forward to meeting shareholders at this meeting.

Shareholders are encouraged to attend the AGM and support (in person or by proxy) the two resolutions under consideration. Further information about the AGM and the resolutions is available on Rex's website and has been lodged with the Australian Securities Exchange (ASX).

On 14 September 2017, Rex's Annual Report to Shareholders along with the Company's Corporate Governance Statement were lodged with the ASX. Both are also available on Rex's website.

Cash at the end of the quarter was \$4.02M.

### HILLSIDE PROJECT

#### Program for Environment Protection and Rehabilitation (PEPR)

Rex holds an approved Mining Lease<sup>1</sup> (ML) for the Hillside Copper-Gold Project near Ardrossan, Yorke Peninsula, South Australia.

In early 2017, the South Australian Government's Department of Premier and Cabinet – mining regulatory branch (DPC) provided an updated assessment report on the revised Hillside Project, confirming that it believed the Project can be operated in compliance with the existing ML, EML and MPL<sup>2</sup> conditions, and noting areas where some additional information will be required in the submission of the PEPR.

On 18 September 2017, Rex advised that it had submitted the Hillside Social Management Plan (SMP) to the DPC and that the DPC had issued Rex with an interim extension for submission of the PEPR until 2 October. On that date, Rex advised that the DPC had extended the date for PEPR submission to 26 February 2018.

The extension was granted following a formal request by Rex and by the local community which had requested that Rex seek the extension.

Within this revised PEPR timeframe, the Company and community need to consider a wide range of operational planning aspects and proposed monitoring plans within a process that allows robust feedback to ensure the integrity of the PEPR and of community engagement for both the PEPR and the Hillside Project.

Rex continues to meet regularly with the DPC to review progress and secure feedback on the PEPR documentation and plans. The DPC is also co-ordinating review of PEPR information by other SA Government groups.

Rex is confident that it will deliver the PEPR before the 26 February 2018 date.

#### Community Engagement

During the September quarter, Rex continued to meet and engage with community members in the Hillside Project region, both through the Hillside Mine Community Voice (HMCV) group and directly with local landowners, townspeople, and regional local and government groups.

As a community representative group, the HMCV is actively assisting to co-ordinate review of Rex's draft PEPR Management Plans through meetings of various HMCV working groups and through public meetings which are ongoing.

On 15 September 2017, and as mentioned earlier, Rex completed and submitted the SMP to the DPC. This plan covers the areas of potential benefit to the region from the proposed mine including regional business development, local and regional employment, community relations and communication. The final form of the SMP involved feedback from a series of meetings with government as well as regional and business organisations.

---

<sup>1</sup> The Mining Lease comprises the ML, EML and MPL

<sup>2</sup> ML – Mineral Lease 6438; EML – Extractive Minerals Lease 6439; MPL – Miscellaneous Purposes Licence 146

## COMMODITY MARKET INSIGHT

In a very recent report, Macquarie Wealth Management summarised the outlook for copper as “dull nearby, dramatic future.”

Macquarie described the recent downward price correction for copper as fair, adding that “. . . we see another couple of years of mild over-supply which . . . should push prices back into the cost curve. Further out, however, a new decade of deficits beckons, with insufficient mine project investment colliding with robust demand – even ahead of meaningful demand changes at the hands of the EV (electric vehicle) revolution.”

In its September 2017 quarterly report on resources and energy, the Office of the Chief Economist of the Australian Government reminds us that Australia is the seventh largest producer of copper in the world and the third largest exporter of copper ores and concentrates.

Australia’s Chief Economist has a similar outlook to the Macquarie review in saying that “copper prices are expected to decline . . . in 2018 as a result of firm growth in mine supply, and then rebound as consumption growth outpaces supply in 2019,” adding that “an acceleration in demand for electric cars and renewable energy globally will lead to stronger growth in copper consumption.”

The Chief Economist is of the view that “higher copper consumption will be supported by firm growth in global industrial production and higher investment in energy infrastructure.”

Finally, “China’s copper consumption – which accounts for 50 per cent of global demand – is expected to increase over the outlook period (through to 2019) driven by investment in the nation’s power grid and firm growth in the construction and manufacturing sectors.”

As an observation from Rex management, we will hear a lot more about these programs and their impact on copper demand in the form of China’s aggressive infrastructure development program known as the “Belt and Road initiative”.

### Tenement Schedule for the quarter ending 30 September 2017

Tenement	Location	Lease Status	Area Type	Current Area	Date
EL5056	Moonta South	Granted	km <sup>2</sup>	416	02/08/2012
EL5055	Moonta South	Granted	km <sup>2</sup>	1,262	02/08/2012
EL5683	Moonta South	Granted	km <sup>2</sup>	21	10/06/2015
EL5508	Moonta South	Granted	km <sup>2</sup>	74	07/12/2016
EL5981	Moonta South	Granted	Km <sup>2</sup>	122	23/06/2017
EL5133	Wandearah	Granted	km <sup>2</sup>	72	01/08/2012
EL5883	Wandearah	Granted	km <sup>2</sup>	29	13/10/2016
EL5070	Cowell	Granted	km <sup>2</sup>	42	28/10/2016
ML6438	Hillside	Granted	Ha	2,998	16/09/2014
EML6439	Hillside	Granted	Ha	225	16/09/2014
MPL146	Hillside	Granted	Ha	94	16/09/2014

### NEXT QUARTER

During the next quarter, Rex will continue to progress documentation for the PEPR submission. The Company will also maintain its important community and government consultation process, with an emphasis on the Yorke Peninsula community.

---

### CORPORATE INFORMATION

**ASX Code: RXM**

#### Issued Share Capital 30 September 2017

Ordinary Shares	220,519,784
Options on Issue (Unquoted)	16,800,000

#### Share Price Activity for the September Quarter

Low	5.1c
High	8.0c
Last (30 October 2017)	7.1c

#### Share Registry

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

T: +61 3 9415 4000 (investors)

T: 1300 850 505 (investors within Australia)

#### Registered Office

Level 19, 11 Waymouth Street  
Adelaide, South Australia 5000

T: +61 8 8288 7100

E: [rex@rexminerals.com.au](mailto:rex@rexminerals.com.au)

#### For further information, please contact:

Richard Laufmann, Chief Executive Officer

T: +61 8 8299 7100

E: [rex@rexminerals.com.au](mailto:rex@rexminerals.com.au)

#### For media/investor relations, please contact:

Gavan Collery

T: +61 419 372 210

E: [gcollery@rexminerals.com.au](mailto:gcollery@rexminerals.com.au)