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## Chairman's Address - 2018

### Introductory comments

This is our third shareholders' meeting in the last 12 months.

During that time, we have also provided a detailed investor presentation to support our capital raising in July, in addition to four quarterly reports.

Our strategy and message has not changed.

Regarding the factors we can control, we reiterate the work plan (Work Plan):

- The Extended Feasibility Study update to 2018 dollars is nearing completion and is being refined in several scope areas. In addition, we are reviewing the power supply options and pricing assumptions.
- The Chinese Feasibility Study has progressed well. The Rex team met in China in late October to review in detail several design and supply proposals that were put forward. This has resulted in some follow-up which is well under way.
- The updated results for both Studies are expected to be finalised in the next couple of months which will allow us to enter into discussions to advance the financing of the Hillside Project.
- Rex has refined the regional exploration targets on the Yorke Peninsula. We are engaged in discussions with the South Australian Government and the relevant department in respect of new mining legislation and the timing of implementation. Once this and land access discussions are clear, we will be in a position to consider our 'next steps.'
- Rex continues to work through the feedback provided by the South Australian Government's Department for Energy and Mining and other government departments on the Program for Environment Protection and Rehabilitation (PEPR) submission. As we work cooperatively through this process, no 'show stoppers' have emerged.
- Rex continues to meet and engage with community members in the Hillside Project region, both through the Hillside Mine Community Voice group and directly with local landowners, townspeople, and regional local and government groups.

Now to the major factor we cannot control - the copper market.

As we noted at the July General Meeting, the copper price rose during our placement to a high of US\$3.32/lb on 8 June 2018 but fell by around 15% in the next month to US\$2.78/lb. The current price is around this level.

The rapid fall in the copper price was largely attributed by most commentators to concerns that a 'trade war' between China and the US could harm global economic growth.

Over the last 12 months we have referred to the market outlooks of numerous copper market participants and analysts including Macquarie Wealth Management, Global Mining Research, UBS, BHP and Codelco.

While the concerns of a 'trade war' persist, ALL the market participants support the view that the supply-demand fundamentals point to higher copper prices once the concerns regarding a 'trade war' ease.

Thus, our view remains that there is an emerging copper supply gap which has only been exacerbated by the recent fall in the copper price. The growth in world demand for copper needs significantly more copper than is being produced, which will translate to higher prices

In conclusion, while we wait for the copper market to improve, we will continue to pursue our near-term strategy of adding value to Rex Minerals by finalising the Work Plan. This will leave us well placed to finance and develop of the Hillside mine when market conditions allow.

As a final point, on behalf of your Board, we would like to take this opportunity to thank our leadership team under the direction of CEO Richard Laufmann. We highly value the efforts of all our employees and contractors. We would also like to express our appreciation to the Hillside community, particularly the Chair and members of the Hillside Mine Community Voice (HMCV) for their ongoing work and support. Additionally, we would like to acknowledge our shareholders for your continued support.

For more information about the Company and its projects, please visit our website '[www.rexminerals.com.au](http://www.rexminerals.com.au)' or contact:

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