



ABN 12 124 960 523

ASX and Media Release: 27 November 2020  
ASX code: RXM

T 1300 822 161 (Australia)  
T +61 3 9068 3077 (International)  
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)

## Chairman's Address – 2020

I am very pleased to report that Rex Minerals now owns two company-making assets. They are:

- Hillside Project – Copper/Gold in South Australia.
- Hog Ranch – Gold in Nevada.

Both assets have been materially progressed in 2020.

The final environmental approval for the Hillside Project was received from the South Australian Government on 23 July this year.

We have progressed the Hog Ranch Property from an exciting gold play with a small-scale early development option to what is shaping up to be a genuine major exploration opportunity with a serious and realistic production profile.

Be in no doubt, while 2020 has been a difficult year globally, it has been transformational for Rex, and we will continue to build on this into 2021.

As we set out in this year's Annual Report, we have positioned the Company to pursue and deliver on a range of objectives, specifically:

- Pursuit of options to find development partners for Hillside.
- Definition of the full scale of opportunities which are emerging at Hog Ranch.

These objectives were set in the context of the rapidly-changing global environment, and we as a Company this year committed as an early adopter to continue to adjust to this environment to avoid any pretence of drifting back to 'business as usual.'

In the short time since the Annual Report was written, several very significant changes have emerged from Rex's perspective:

1. The copper price has materially corrected from COVID-19 lows. The election in the USA of Joe Biden, and coincidentally the announcement of several candidate vaccines, all bode well for the long-anticipated correction to copper fundamentals. A copper price significantly above US\$3.50/lb, alone would double the NPV of Hillside over the A\$500 million base case.
2. The identification from recent drilling programs of a significantly larger potential gold footprint for the Hog Ranch geological system which has the potential to match the scale of some of the world's largest known gold deposits.

With respect to Hog Ranch, we intend to actively continue to explore in an area well known for gold discovery and production, and to define what we have discovered to demonstrate the obvious value to shareholders. To this end, our feasibility studies at Hog Ranch will be informed by the rapidly-evolving bigger picture, which may well call for a significantly larger and more valuable production opportunity and profile, whilst still leveraging the earlier start-up of the Bells Project within Hog Ranch.

We intend to fund this work into next year from the balance of the proceeds from our recent Placement and SPP. The least dilutionary funding structure will be developed to suit the identified Hog Ranch production project.

With respect to the Hillside Project, we are undertaking several major activities necessary to reach full financial close and move into the development phase. These include:

- Completion of the Grant Samuel managed process to find development partners for Hillside.
- Development of the organisational capability and capacity to undertake and deliver the Project effectively and efficiently.
- Development of the lowest cost, least dilutionary funding structure potentially including financing options from major equipment providers, export credit agencies, offtakers, commodity traders and project lenders.
- Finalisation of the fixed price turnkey EPC (engineer, procure and construct) contract options for the construction of the plant and major infrastructure.
- Progress the next phase of pre-development works required to move the Project into the go bay.

As you can see, this is a massive but clearly-defined and realistic set of goals; ones that could lead to a major re-rating of our Company's value. By any measure, a big year is ahead of us in 2021 and we approach it with great confidence, excitement and enthusiasm. We will continue to make the decisions necessary to evolve Rex, both corporately and structurally, to maximise our leverage to our two company-making assets.

In closing, I would like to acknowledge the considerable expertise and invaluable efforts of Mitch Hooke who recently retired from the Board. Our thanks also go to our local communities, particularly the Chair and members of the community-based Hillside Mine Community Voice for their ongoing work and support as well as our suppliers and contractors. I would also like to thank our leadership team under the direction of CEO Richard Laufmann. We highly value the efforts of all our staff, especially in these trying times.

Finally, I would like to acknowledge our shareholders, old and new, for your support.

This announcement has been authorised for release by the Board of Directors of Rex Minerals.

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

Kay Donehue  
Company Secretary  
T +1300 822 161 or +61 3 9068 3077  
E '[rex@rexminerals.com.au](mailto:rex@rexminerals.com.au)'

Media and Investor Relations:  
Gavan Collery  
T +61 419 372 210  
E '[gcollery@rexminerals.com.au](mailto:gcollery@rexminerals.com.au)'