



ASX Release: 30 April 2021



ABN 12 124 960 523

Quarterly Activities Report for the period ended 31 March 2021

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
W www.rexminerals.com.au

The pivot to a global commodity super cycle, for electrification assets (Copper) and protective assets (Gold), is now becoming clear. Commentators globally are glimpsing the “Hinge of History” at which we are poised.

At today’s spot copper price, our Hillside Project has an implied Net Present Value approaching A\$2 billion, and that is for Stage 1 alone. Viewed another way, our corporate valuation is easily justified on Hillside Copper.

However, Rex offers more than just leverage to Copper and we are now most definitely a 2-for-1 investment. Shareholders also own the free option of Hog Ranch, our fast-growing, company-making Gold project in Nevada.

Today, much of our news flow and work on the ground is focused in Nevada and funded by money raised for that purpose in September 2020. This month, to add to our A\$7.3 million cash balance, we placed an additional A\$9.5 million to a handful of supportive institutions. This gives us capacity to retire our A\$4 million debt and resource our focus on Hillside.

Whilst our leverage to Copper and Gold offers so much upside, we cannot stress enough how disruptive COVID-19 has been and continues to be globally, to Australia and to Rex. Despite these headwinds, we all have to succeed. Now, more than ever Australia needs to stand united and stand behind and champion investment in our people and our assets to future-proof this great nation.

Significantly, during the quarter, Rex Minerals:

- Continued to advance financing discussions on Hillside, still 100% owned. We have not prematurely diluted shareholders’ upside.
- Significantly increased the Mineral Resource at Hog Ranch to 2.2Moz.
- Based on our regional geophysics programs, targeted new opportunities to test the upside of the trend at Hog Ranch. Our drill rig is back on site.
- Presented at the international Mines and Money Online Connect Conference, 23-25 March 2021.

The next six months – and beyond – will be an exciting time for Rex Minerals and its shareholders.

HOG RANCH PROPERTY – NEVADA USA

The period in review was an active one for Rex’s Hog Ranch Gold Property in Nevada USA. Rex is building on the fast-growing Hog Ranch story to a global market that is increasingly tuning into gold investment.

We reported a “significant update” to the Mineral Resource estimate, and we reported “excellent” drill results from the Bells Project. Rex has now commenced its 2021 RC drilling program with drill holes planned at the Bells and the Airport Projects designed to test never-before-drilled exploration targets and also to extend known mineralisation that remains open.

Rex is well placed to deliver on an exciting set of short- and medium-term objectives. We are confident the Company will demonstrate the potential we see in the Hog Ranch Gold Property.

Highlights from the updated Mineral Resource – up from 1.4Mozs to 2.2Mozs – included:

- Combined Indicated and Inferred Mineral Resource of 165Mt @ 0.43g/t gold for 2.26Mozs;
- The shallow, oxidised Mineral Resources at Bells and Krista are over 2Mozs;
- A higher-grade core at both Bells and Krista has been identified (cut-off grade of 0.4g/t) for a combined 54Mt @ 0.65g/t gold for 1,130koz which will drive the next stage of economic studies at Hog Ranch;
- The total Indicated Resource has tripled, from 180koz to 560koz;
- At Bells, a combined Indicated and Inferred Resource of 37Mt @ 0.47g/t gold for 560koz includes a doubling of the Indicated Resource to 24Mt @ 0.50g/t gold for 390koz;
- A 70% increase at Krista, now with a combined Indicated and Inferred Resource of 121Mt @ 0.40g/t gold for 1,550koz;
- Cameco and Airport to a combined 6.7Mt @ 0.70g/t gold for 150koz, with recent geophysical surveys highlighting the way forward for future discovery in this highly-prospective region; and
- The additional Resource ounces at Hog Ranch were converted at a cost below US\$1/oz.

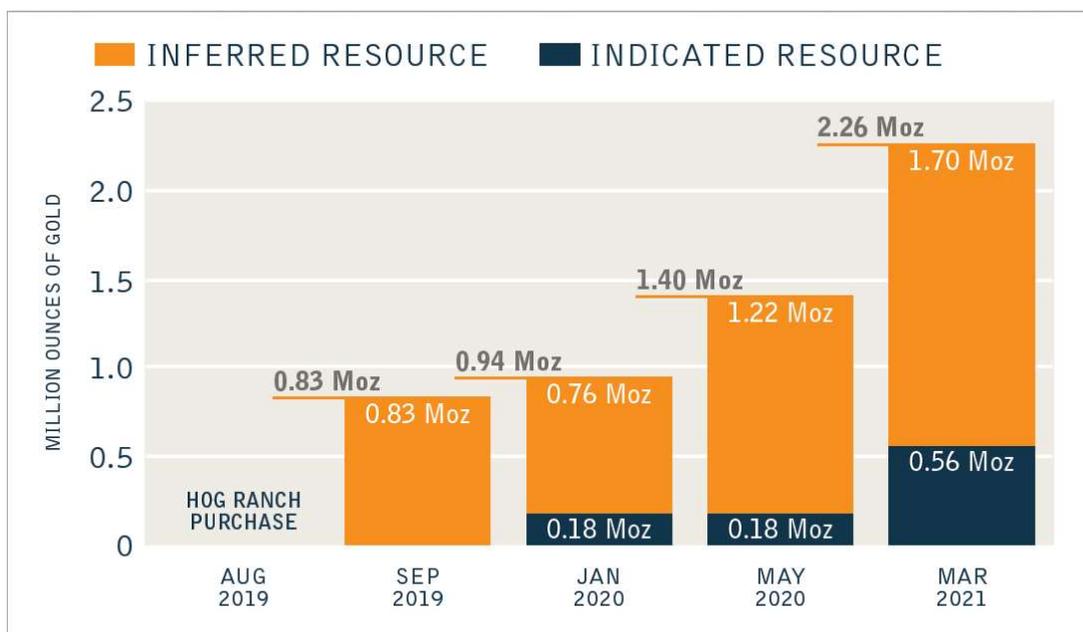


Figure 1: Hog Ranch Mineral Resource growth to 2.26Mozs since acquisition in August 2019.

Rex’s Managing Director, Richard Laufmann, said at the time of the announcement: “Any way you cut it, this is a great result. We have again moved the dial in a very meaningful way, with over 2 million ounces of shallow oxide material in Resource.

“The Bells Project now has over half a million ounces of gold and we have more than doubled the Indicated Resource, whilst the mineralisation remains open in multiple directions.

“At the Krista Project, now with over 1.5 million ounces in Resource, we have identified large step-off extensions in addition to confirmation of a thick higher-grade core. Perhaps the most exciting new development is that we are also seeing, from the new airborne data, that the largest and possibly most significant structures are still yet to be tested.”

Rex also released new drill results for the Bells Project. Highlights included:

- Results at Bells will support further conversion of Inferred Mineral Resource into Indicated Mineral Resource;
- There is further resource expansion potential – the gold resource remains open;
- Drilling targets for 2021 are being designed; and
- Significant recent drilling intercepts at Bells, which include:
 - 33.5m (~29m true width) @ 1.29g/t gold from surface in hole HR20-030; and
 - 24.4m (~21m true width) @ 0.72g/t gold from surface in hole HR20-029.

Rex’s Managing Director, Richard Laufmann, said at the time of the announcement: “The published Scoping Study at Bells (9 June 2020) is looking better every day and 1.29g/t over 30m, from surface, is a great result.

“With the economic cut-off grade at Bells as low as 0.15g/t gold, this program at both Bells and Krista is demonstrating the sheer scale of the mineralisation at Hog Ranch. On every measure, the significance of Hog Ranch is exceeding what we originally defined and assumed.”

Rex has commenced its 2021 RC drilling program. Drill holes have been planned at the Bells and the Airport Projects. The drill program is designed to test never-before-drilled exploration targets and also to extend known mineralisation that remains open.



Figure 2: RC drill rig on the first drill hole (HR21-001) for 2021 at the Bells Project. Rex’s geological team on site at Hog Ranch from left to right of Dr Stephanie Grocke, Randy Vance, Cherie Leeden, Lindsay Craig and Simon Meldrum.

Drilling at Bells will follow up mineralisation that remains open (including deeper extensions) in addition to new shallow exploration targets which have been identified from a recently-acquired airborne hyperspectral survey.

Drilling at the Airport area is focused on drill testing a number of new targets that were identified from recently-completed Induced Polarisation (IP) geophysical surveys. These IP surveys have shown an apparent relationship between resistivity and chargeability features relative to gold observed in the historical drill hole data.

The drilling at Airport is designed to prove the concept that IP surveys can act as an important direct targeting tool, leading to rapid and relatively cheap discovery of further gold mineralisation at Hog Ranch. This is particularly important where the host rocks to the gold mineralisation are hidden underneath shallow sedimentary rocks.

Results from this planned first phase of RC drilling at Hog Ranch for 2021 are anticipated to lead to further geophysical surveys and follow-up drill testing as part of the plan over the North American summer period to further grow the Mineral Resource at Hog Ranch.

For full details of Hog Ranch announcements in the quarter, see Rex's ASX announcements of 4, 23 and 25 March and 22 April 2021.

HILLSIDE PROJECT – SOUTH AUSTRALIA

The Hillside Copper and Gold Project, near Ardrossan in South Australia, dovetails neatly into the SA Government's plans in establishing SA as a world-leading copper precinct. Copper is one of the fundamental elements that is crucial to the "electrification of everything," and Hillside is well placed to feed into that exciting transition.

Mining developments like the Hillside Project will be a critical bedrock in Australia's recovery from the COVID-19 pandemic, providing opportunities for wealth creation in the trifecta of local community jobs and business opportunities, government royalties and taxes, and shareholder returns.

The SA Department of Infrastructure and Transport, and the Department for Planning and Local Government, have granted the extension for Hillside roadworks development approvals to 30 June 2022, in line with the Program for Environment Protection and Rehabilitation (PEPR) which was approved by government last year.

Rex commenced engagement with a range of consultants to enhance its planning of Hillside pre-development work. This engagement is in support of the review and update of the pre-development and construction work and schedule for Hillside in line with the overall requirements for the project, and its PEPR commitments and requirements.

The Company attended a Hillside Mine Community Voice (HMCV) meeting during March with Hillside region community members. At this meeting, a draft scope was tabled for the proposed review of the HMCV engagement process over the last four years, which will be undertaken by an independent party with recommendations made for future engagement.

South Australian Government

Independent MPs and the SA Opposition have combined to pass a private members Bill to establish an SA Parliamentary Select Committee Inquiry into Land Access for mining and petroleum. Rex (along with industry body SACOME) views the establishment of this Select Committee as unnecessary, given the recent amendment of the Mining Act and substantial changes to land access arrangements in South Australia at the end of 2020.

Establishment of the Inquiry disregards the significant regulatory reforms recently implemented, and has the potential to jeopardise investment at a time when the State of South Australia needs it most. Our industry has a demonstrated record of respectful engagement with landowners and communities for the broader benefit of the South Australian economy.

Rebecca Knol, CEO of SACOME (of which Rex is a member), has stated: “Industry engaged in good faith during the Mining Act review and continues to do so during the current Petroleum & Geothermal Energy Act review. Changes to land access arrangements have been given detailed consideration, resulting in increased reporting, compliance and engagement measures for operators.

“In addition, SACOME developed Land Access Guides for Mineral and Petroleum Exploration in 2020 with input from the agricultural sector. In doing so, SACOME’s aim is to ensure that land access is undertaken in a best-practice manner by our member companies.

“SACOME and its member companies are committed to the economic development of the State, providing employment for South Australians, and making a direct economic contribution at a local, State and National level.”

Rex Minerals has met with three members of the Select Committee to express our views on this, and we will be preparing a submission for the Committee.

Community Engagement

Rex continues to receive email and phone queries from regional community members, stakeholders and interested suppliers, contractors and businesses regarding future plans for Hillside post PEPR approval. Rex continues to respond to these queries and meet with community members.

TENEMENT SCHEDULES AT 31 MARCH 2021

Hillside, SA					
Tenement	Location	Lease Status	Area Type	Current Area	Expiry Date
EL5981	Moonta South	Granted	km ²	108	22/06/2021
EL6100	Moonta South	Granted	km ²	94	16/01/2023
EL6136	Moonta South	Granted	km ²	91	19/03/2022
EL6143	Moonta South	Granted	km ²	51	15/04/2022
EL6189	Moonta South	Granted	km ²	354	01/08/2022
EL6245	Moonta South	Granted	km ²	1,168	01/08/2022
EL6455	Moonta South	Granted	km ²	74	04/11/2021
EL6497	Moonta South	Granted	km ²	509	27/07/2022
EL6515	Moonta South	Granted	km ²	257	20/09/2022
EL6531	Moonta South	Granted	km ²	21	09/06/2022
ML6438	Hillside	Granted	Ha	2,998	15/09/2035
EML6439	Hillside	Granted	Ha	225	15/09/2022
MPL146	Hillside	Granted	Ha	94	15/09/2035

As at 31 March 2021, the Hog Ranch Property is made up of 1,035 unpatented mining claims located in Washoe County, Nevada. Hog Ranch Minerals Inc directly owns 788 Mining Claims (see table below) and controls the remaining 247 Mining Claims through a mining lease with purchase option with Nevada Select Royalty Inc.

Nevada, USA					
Lode Mining Claims	Location	Lease Status	Area Type	Total Area ¹	Date Certified
NHR 1 – 30	Washoe County	Claimed	Ft ²	27,000,000	10/08/2019
NHR 31 – 100	Washoe County	Claimed	Ft ²	63,000,000	28/01/2020
NHR 101 – 232	Washoe County	Claimed	Ft ²	118,800,000	10/07/2020
NHR 233 – 417	Washoe County	Claimed	Ft ²	166,500,000	19/11/2020
NHR 418 – 434	Washoe County	Claimed	Ft ²	15,300,000	TBA ²
GL 1 – 104	Washoe County	Claimed	Ft ²	93,600,000	10/07/2020
GL 105 – 177	Washoe County	Claimed	Ft ²	65,700,000	19/11/2020
GL 178 – 354	Washoe Country	Claimed	Ft ²	159,300,000	TBA ²

¹ Total Area comprises the area of each Lode Mining Claim, ie. 1500' x 600'

² To be advised, claims lodged and processing is with the Bureau of Land Management (BLM)

CORPORATE

The Company has announced the successful completion of a Placement to institutional and sophisticated investors in Australia on 23 April 2021. The Lead Manager for the Placement was Euroz Hartleys Securities Limited.

The Placement comprised the issue of approximately 39.6 million new fully-paid ordinary shares, at A\$0.24 per Share, to raise A\$9.5 million (before costs). The issue is within the Company's 15% placement capacity and is pursuant to Section 708 of the Corporations Act 2001. Proceeds from the Placement will be used for the following:

- Hillside pre-development, maintenance and tenure fees;
- Repayment of the loan facility;
- Corporate and administration fees; and
- Costs of the offer.

Commenting on the Placement at the time of the announcement, Rex's Managing Director, Richard Laufmann, said: "Copper and gold both have strong investment thematics, and Rex represents excellent exposure to both through its fully-permitted and 'shovel ready' Hillside Copper-Gold Project in South Australia and its low-cost heap leach Hog Ranch Gold Property in Nevada USA.

"In making this strategic and timely placement, Rex is very pleased to welcome further additional high-quality institutional investors to the Company's register."

As a result of the placement and pending repayment of existing debt, Rex will soon have zero debt.

Also during the quarter, Rex issued the Company's Consolidated Interim Financial Report for the half-year to 31 December 2020. The Company also lodged updated investor presentations for both the Hillside Project and Hog Ranch Property.

For full details of corporate announcements in the quarter and to the date of lodging this Quarterly Report, see Rex's ASX announcements of 1, 16 and 25 January, 23 and 25 March, 16 and 23 April 2021.

Option Incentive Plan and Hog Ranch Consideration Rights

On 16 February 2021, Rex announced that a Non-Executive Director, Ian Smith, had exercised 333,333 vested options at an exercise price of 8.4 cents. The Company also announced on 23 March 2021 the exercise of 1,166,667 vested options issued to employees at an exercise price of 7.0 cents.

At the beginning of the quarter, the Company had on issue 20 million Hog Ranch Consideration Rights (HRCR) which convert to Rex shares on the outcome of the following milestones:

- a) 5 million HRCR on announcement by Rex to the ASX by no later than 31 October 2024 on completion of an Inferred Mineral Resource in addition to any Indicated and Measured Mineral Resource in total of 2Moz or higher of contained gold as defined by the 2012 JORC Code with respect to the Hog Ranch Property and has a minimum grade of 0.4g/t of gold in addition to a minimum tonnage of 100 Mt; and
- b) 15 million HRCR on announcement by Rex to the ASX by no later than 31 October 2024 of the Board approving a decision to mine the Hog Ranch Property.

On 23 March 2021, the Company announced a Hog Ranch Mineral Resources Upgrade which satisfied the requirements of the Mineral Resource milestone of the Hog Ranch Share Purchase Agreement dated 20 August 2019. Accordingly, on the same day, Rex converted 5,000,000 Hog Ranch Consideration Rights into fully-paid ordinary shares to the Hog Ranch Vendors that forms part of the consideration for the Property. The Mineral Resource methodology, process and assumptions were independently verified. An independent review of the block model was undertaken by SRK Consulting.

COMMODITY MARKET INSIGHT

The copper price started the March 2021 quarter around US\$3.50/lb, rose to US\$4.29/lb in late February, ended the quarter at US\$4.00/lb, and has this week hit a near 10-year price of US\$4.50/lb (US\$9,770/t). The gold price began the quarter just below US\$1,900/oz, touched US\$1,910/oz in early January, ended the quarter around US\$1,685/oz, and now sits slightly firmer at US\$1,785/oz.

Copper

Right now, the vast bulk of resource-based investment banks and brokers want to talk about – and talk up – the copper price. Goldman Sachs and the Trafigura Group both forecast a copper price of US\$15,000/t (US\$6.80/lb) by 2025, while Citi sees it at US\$12,000/t (US\$5.44/lb) by 2022.

Goldman Sachs (GS), in its 31-page mid-April report focusing entirely on the red metal, simply states that “copper is the new oil,” tagging it as “the green copper demand revolution.” GS says that “without serious advancements in carbon capture and storage technology . . . the entire path to net zero emissions will have to come from abatement – electrification and renewable energy. As the most cost-effective conductive material, copper sits at the heart of capturing, storing and transporting these new sources of energy.” GS went on to say that “we see the copper market sleep-walking to a classic case of the ‘revenge of the old economy,’ just as oil did during the 2000s commodity boom.”

In a section titled “how copper will power the next generation of clean tech,” GS summarises with:

- Wind turbines: Copper demand from wind energy will account for 20% of green demand, with copper intensity expected to grow as offshore projects that require twice as much copper become more prevalent;
- Electric vehicles (EVs): EVs have more than five times the copper of ICE vehicles and by the end of the decade, they will account for around 40% of the green copper demand;
- Solar panels: Copper is key for efficiency and performance of PV panels, and thanks to their fast-declining cost and deployment, they will be the second driver of green demand after EVs; and
- Energy storage: In EVs, copper is mostly used for batteries and in the future, the development of grid energy storage systems will represent a key upside risk for green copper demand.

GS also notes, with stark reality, that even with an 80% jump in prices in the past 12 months, no major greenfield copper developments were approved.

Morgan Stanley is bullish on copper, saying that “as falling costs and ambitious decarbonisation targets accelerate investment in renewable energy, there is a pivot towards even more copper-intensive forms.”

Citi says that “we are strongly of the view that any further dip (if it happens at all) will be temporary and we recommend (to) take or increase exposure to copper . . .”

The highly-respected global metals and mining research group, Wood Mackenzie (WM), opens its latest report (titled “build or buy: are the copper majors rising to the growth challenge?”) by saying that “demand for copper – already on a rising trend – is arguably set to explode as the energy transition takes hold. In order to prevent structural deficits, unsustainably high prices and demand destruction, miners (ie: the majors) will have to invest ever-increasing sums of money in supply.

“To meet our base case demand and counter grade decline and depletions over the next 10 years, we estimate the industry will need to commit around an additional US\$130 billion to deliver a further 6.5Mt of copper supply per year.”

WM goes on to ask: Is this achievable? It also asks: The question (for the majors) then becomes whether to build or buy? WM goes on to say that “companies may choose to buy their growth,” adding that “acquisition could offer an attractive opportunity to take a bigger bite out of the copper pie, attaching lower and known risks, and a guaranteed production stream. It could become a feeding frenzy.”

Mining industry and copper guru, Robert Friedland, recently addressed CRU’s World Copper Conference. As reported in online Mining News, he pulls no punches when he says that access to copper is becoming a national security issue.

The Founder of Ivanhoe Mines says that “in the short term, we’ve had a big rise in the price of copper, but for the medium term, copper has really become a national security issue. It’s central for what we want to do with our economy.” He adds the observation that the global supply chain is being dismantled as countries compete for critical materials required for the energy transition, including copper.

Investment house, JP Morgan (Metals and Mining Australia), makes the point that copper is a likely beneficiary of the Biden Administration’s US\$2.25 trillion 8-year economic plan to build infrastructure and improve power networks (including a US\$174 billion investment in EV battery capacity) in the USA.

Rick Rule, the well-regarded Director of North American-based Sprott Holdings, was recently interviewed by KITCO News. He focused on copper and uranium. In respect of copper, Rick Rule says that “we’ve run out of time,” adding that demand will exceed supply and that the world is talking up a commodity super cycle because of under-investment and therefore a supply shortfall – “supply constraints are inevitable” – adding that as a consequence “we are definitely coming into a super cycle ”

He concludes: “I don’t see anything that the industry can do that will increase (copper) supplies enough to meet demand five years from now. We’ve run out of time and the reckoning is coming.”

Gold

While commentary on copper has dominated the base metals commodities discussion so far this calendar year, gold has not been idle.

On the back of pressure on the US dollar and concerns about inflation, Bloomberg Intelligence reports a return to “more enduring upward trajectories in gold and bond prices.”

In a report titled “Is gold starting its climb back to the top?” online investment magazine Stockhead quotes Commerzbank AG as saying that gold will be the winner if concerns emerge that the US economy might over-heat as a result of fiscal stimulus.

While acknowledging recent downward pressure on the gold price, UBS sees some positives for gold when it says, in part, that “with gold historically being viewed as an inflation hedge, we think higher CPI prints could still positively impact gold sentiment and, along with (US) dollar weakness, aid a tactical bounce . . .”

UBS says that “we think there is still a case for including gold in a portfolio as a diversifier, given lingering uncertainty,” adding that “concerns of a policy mis-step or for the (US) Fed to be further behind the curve than expected could also trigger stronger gold interest.”

One of the April 2021 Sprott Monthly Reports is titled “gold holds on to support as yields rise.” It calmly reminds us that “gold, perhaps more than most asset classes, is driven by sentiment. Gold tends to perform well during periods of systemic stress when volatility and emotion both tend to be high. Over the decade, we have seen gold overshoot to the upside and overshoot to the downside.”

The Sprott Report (authored by Paul Wong) concludes by saying that “we have moved into a period of big government spending on a scale not seen since the New Deal (1933-1939), almost 90 years ago. The vast majority of this expenditure will be via deficit spending, with the long-term plan of US dollar debasement eroding the debt.

“The short-term focus of the market is the growth aspect. The equity market has moved to a state of euphoria and near-record levels of risk appetite with the view that any pullback is a buying opportunity since risk has been eliminated. Meanwhile, gold bullion and gold equities are priced as if they are going back into the ground. Both scenarios are unlikely sustainable in the long term. We believe that the long-term precious metals bull market will regain its momentum.”

Metals Focus, the London-based precious metals research consultancy with strong support from gold producers and users around the world, is reported by Stockhead as saying: “Monetary and fiscal policies, including the persistence of ultra-low interest rates and negative real yields, and concerns about future inflation will continue to make the case for strong gold investment for the foreseeable future. Partly related to this, we are sceptical that the recent strength is the US dollar will continue as we progress through this year. We believe all this will eventually help gold to recover, with the price expected to strengthen later this year and into 2022.”

SUPPLEMENTARY INFORMATION

Forward-Looking Statements

This announcement contains “forward-looking statements”. All statements other than those of historical facts included in this announcement are forward-looking statements. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to, copper, gold and other metals price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks and governmental regulation and judicial outcomes. The Company does not undertake any obligation to release publicly any revisions to any forward-looking statement.

Competent Persons’ Statement - Hog Ranch

The information in this report that relates to Exploration Results or Mineral Resources is based on, and fairly reflects, information compiled by Mr Steven Olsen who is a Member of the Australasian Institute of Mining and Metallurgy and an employee of Rex Minerals Ltd. Mr Olsen 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 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Olsen consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to mining is based on, and fairly reflects, information compiled by Mr Charles McHugh who is a Fellow of the Australasian Institute of Mining and Metallurgy and an employee of Rex Minerals Ltd. The information in this report that relates to mining is based on, and fairly reflects, information compiled by Mr McHugh. Mr McHugh 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr McHugh consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to metallurgy is based on, and fairly reflects, information compiled by Mr John Burgess who is a Fellow of the Australasian Institute of Mining and Metallurgy and a consultant to Rex Minerals Ltd. Mr Burgess 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Burgess consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Base Case Assumptions – Bells Project

The Bells Scoping Study (2020) price assumptions are quoted in US dollars and Gold US\$1,550/oz.

Competent Persons' Report – Ore Reserves – Hillside Project

The information in this report that relates to Ore Reserves is based on information compiled by Mr Charles McHugh who is a Fellow of the Australasian Institute of Mining and Metallurgy and is an employee of Rex Minerals Ltd. Mr McHugh 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr McHugh consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Competent Persons' Report – Mineral Resources – Hillside Project

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 was an employee of Rex Minerals Ltd at that time. 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 2012 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.

Base Case Assumptions – Hillside Project

The Hillside FS (2020) price assumptions for the life of the operation are Copper US\$3.00/lb; Gold US\$1,550/oz and exchange rate of AUD:USD \$0.70.

CORPORATE INFORMATION

ASX Code: RXM

Issued Share Capital as at 31 March 2021

Ordinary Shares	382,737,586
Options on Issue (Unquoted)	16,933,334
Hog Ranch Consideration Rights (Unquoted)	15,000,000

Share Price Activity for the 31 March 2021 Quarter

Low	16.5c
High	23.5c
Last (29 April 2021)	34.5c

Share Registry

Computershare Investor Services
Yarra Falls, 452 Johnston Street
Abbotsford, Victoria 3067
T: +61 3 9415 4000 (investors)
1300 850 505 (investors within Australia)

Registered Office Mailing Address

68 St Vincent Highway Pine Point, South Australia 5571 T: 1300 822 161 (Australia) +61 3 9068 3077 (International) E: rex@rexminerals.com.au W: www.rexminerals.com.au	PO Box 3435, Rundle Mall Adelaide, South Australia 5000
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For further information, please contact:

Richard Laufmann, Chief Executive Officer
or Kay Donehue, Company Secretary
T: 1300 822 161 (Australia)
+61 3 9068 3077 (International)
E: rex@rexminerals.com.au

For media/investor relations, please contact:

Gavan Collery
T: +61 419 372 210
E: gcollery@rexminerals.com.au

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Rex Minerals Ltd

ABN

12 124 960 523

Quarter ended ("current quarter")

March 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(502)	(3,187)
(b) development	-	-
(c) production	-	-
(d) staff costs	(547)	(1,550)
(e) administration and corporate costs	(274)	(798)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	17
1.5 Interest and other costs of finance paid	(440)	(440)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	5	64
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(1,757)	(5,894)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	13
	(d) investments	-	-
	(e) other non-current assets	2	2
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	2	15

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	10,873
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	110	166
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(616)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	110	10,423

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	9,001	2,990
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,757)	(5,894)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	2	15
4.4	Net cash from / (used in) financing activities (item 3.10 above)	110	10,423

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	37	(141)
4.6	Cash and cash equivalents at end of period	7,393	7,393

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	7,393	9,001
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	7,393	9,001

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	145
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Payments at Item 6.1 relate to remuneration payments for Directors for the quarter.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	4,400	4,400
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 Total financing facilities	4,400	4,400
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
A secured loan facility to the value of \$4.4m was entered into in March 2020, via a group of 12 lenders including 4 Directors at an interest rate of 10%, maturing March 2022, following an extension being granted by the lenders.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,757)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,757)
8.4 Cash and cash equivalents at quarter end (item 4.6)	7,393
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	7,393
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	4.2
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 April 2021



Authorised by: Kay Donehue, Company Secretary
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.