



Corporate Governance Statement

This Corporate Governance Statement is dated 30 June 2021 and was approved by the Rex Minerals Ltd (Rex or the Company) Board on 13 September 2021. The Company is reporting against the 4th Edition of the ASX's Corporate Governance Principles and Recommendations (the Principles) in this 2021 Corporate Governance Statement.

The Board is committed to administering the Company's policies and procedures with transparency and integrity, pursuing the genuine spirit of sound and rigorous corporate governance practice. In addition, as the Company's activities transform in size, nature and scope, additional corporate governance structures will be considered by the Board and assessed as to their relevance in the changing global environment.

Rex's vision is to produce the minerals needed for the world we all envision. Its purpose is to explore and mine responsibly to benefit our stakeholders and contribute to a more sustainable world.

Details or summaries of Rex's main charters and policies are on its website: www.rexminerals.com.au

1 Lay solid foundations for management and oversight

A listed entity should clearly delineate the respective roles and responsibilities of its board and management and regularly review their performance.

Roles and responsibilities

The respective roles and responsibilities of the Board and the Chief Executive Officer (CEO) are set out in the Company's Board Charter.

A primary Board responsibility is to protect and advance the interests of Shareholders as well as the Company's wider stakeholders. To fulfil this role, the Board has overall responsibility for approving the Company's corporate strategy and for the implementation and ongoing monitoring of that strategy; appointing the CEO; monitoring Senior Executives' performance; approving Rex's risk and audit framework and its internal controls. The Board is also responsible for the Company's overall corporate governance matters, including approval of its values statement and codes of conduct in relation to achieving a desired culture throughout the organisation. In fulfilling these primary responsibilities, the Board will take into consideration the interests of all stakeholders including government, employees, communities and suppliers.

The CEO has primary responsibility to the Board for the affairs of Rex. The CEO is responsible for implementing and monitoring the approved strategy and plans of the Company. The CEO manages key appointments of Senior Executives and management team; is the primary channel of communication and point of contact to the Board; provides strong leadership to, and effective management of, the Company.

Board positions

During the year, the Board completed a review of its composition and designed a Board succession plan to drive the Company into its next phase of development. Two successful candidates joined the Board on 1 June 2021 - Mr Gregory Robinson as a Non-Executive Director and Ms Amber Rivamonte as Executive Director of Finance - replacing two long-serving Directors who retired at the same time, Dr David Carland and Mr Alister Maitland. Subsequently, Mr Ian Smith was appointed Non-Executive Chairman. Mr Robinson and Ms Rivamonte's appointments will be put to shareholders at the Company's 2021 AGM.

The Notice of Meeting for the Company's AGM provides shareholders with relevant information regarding each Director standing for election or re-election, including details of appropriate skills, background, independence and experience, as well as a statement by the Board whether it supports the election or re-election.

During the year, and as part of the overall Board review, the Directors considered the structure of its Committees and is in the process of establishing a Remuneration & Nomination Committee to replace the existing Remuneration Committee (refer 2 below). Until then, the full Board undertakes appropriate checks to review a candidate's background, experience, character, potential conflicts of interest and qualifications, prior to the appointing of a person, or putting forward to shareholders a candidate for election, as a director. The Board may utilise the services of an independent external recruitment advisor for additional support in this area.

Rex has a written agreement with each Director and Senior Executive setting out the terms of their appointment, remuneration, expected time commitments and key duties.

Rex's Company Secretary has a direct reporting line to the chair of the Board for corporate governance matters and has a principal role to support the proper functioning and effectiveness of the Board and its Committees. All Directors have access to the Company Secretary and two-way communication is actively encouraged.

Gender, Diversity and Inclusion (GDI)

The Company's Gender, Diversity and Inclusion (GDI) Policy sets out its expectations concerning diversity and inclusion. The Company respects and fosters diversity of people and perspectives for the benefit of its business. Rex recognises the importance of achieving a work environment that values and utilises the contributions of employees with diverse and broad backgrounds, experiences and perspectives, irrespective of gender identity, age, ethnicity, race, religious or cultural background, sexual orientation, physical or mental ability, political opinion, and family situation. Employee diversity at all levels of the Company is a key objective to build equality, workplace harmony and skills enhancement in driving business proficiency and competitiveness. By creating an attractive workplace, Rex strives to have access to the biggest pool of talent and well-qualified persons where better business decisions are made on the basis of varied perspectives.

In order to promote gender diversity specifically, Rex engages in reviews and reporting to the Board about its proportion of women in the Company and strategies to address gender diversity. The Company's policy is to recruit the most qualified persons for each position and consider persons from a diverse pool of qualified candidates.

The Company achieved its measurable objective for gender diversity; female representation of at least 20% of the total workforce; and inclusion of a credible and suitability experienced female candidate for nomination to the Board. At 30 June 2021, women made up 31% of the total workforce and 67% of Senior Executives of the Company (defined as a percentage of the Senior Management group as reported in the Remuneration Report within the 2021 Annual Report). Additionally, Rex appointed its first female Director to the Company's Board on 1 June 2021. The Company continues to source experienced and qualified female talent in any recruitment program.

The objectives for continuing to achieve greater gender diversity over the next reporting period include:

- Maintain female representation of at least 25% of the total workforce including senior management roles as Rex progresses through the next stages of the Company's development.
- During the selection and appointment process of each Director, either a professional search firm supporting the Board, or a Board committee (or both), will provide a mix of credible and suitably experienced female and male candidates, with a minimum of at least one female candidate.

Rex has successfully encouraged and facilitated the return to work from parental leave of employees by offering flexible work arrangements that support family commitments. The Company also offers and supports flexible part-time positions which afford an opportunity for employees to take on additional roles with other organisations or to combine with personal interests.

The Company is not a 'relevant employer' as defined by the Workplace Gender Equality Act.

Board and executive performance

The Directors consider that, due to the existing size of Rex and its Board, a formal Board performance evaluation review procedure is not appropriate. The Board has instead adopted a rigorous self-evaluation process to measure its own performance, and the performance of its Committees and individual Directors.

The annual self-evaluation process reviews the functioning of the Board and its Committees against their respective charters. The Board also reviews the individual contribution of Directors and updates its Board and Committee Charters from time to time in line with emerging governance practice, and Company and business developments. The Board has reviewed where relevant its Charters in line with adoption of the 4th Edition of the ASX Corporate Governance Principles and Recommendations.

The review undertaken during the reporting period focused on the individual role of each Director and the relevant skills and experience that the Company requires at this time. The Board subsequently restructured its composition to complement the Company's strategic direction and ensure it remains fit for purpose. The restructure resulted in a strengthening of its finance and corporate expertise with the appointment of a new Non-Executive Director and an Executive Director in June 2021. The Board will continue to anticipate what further resources may be required as the Hillside Project is financed and developed, and the Hog Ranch Project is advanced. The Board did not consider it appropriate to appoint an external party to facilitate the 2020/21 review.

The performance of the Company's Senior Executives is assessed annually and this year the process was conducted in line with the Board review. An evaluation of the Senior Management team was completed to highlight where additional skills and experience may be required to expand the project delivery team for the next phase of development of the Hillside Project.

2 Structure the Board to be effective and add value

The board of a listed entity should be of an appropriate size and collectively have the skills, commitment and knowledge of the entity and the industry in which it operates, to enable it to discharge its duties effectively and to add value.

Board structure & composition

The Board has a range of processes in place to successfully address all matters that relate to the nomination of new directors. The Board is also restructuring its Remuneration Committee to include all matters relating to the nomination of new directors. The members of the restructured Committee will continue to be Mr Ron Douglas, Mr Ian Smith and Mr Greg Robinson. Mr Douglas is the independent Chair (and he is not Chair of the Board) and all Directors will be invited to attend any Committee Meetings held during the year.

Rex's Board undertakes an annual internal process to evaluate the performance, skills and knowledge of the Board. Although a formal skills matrix has yet to be adopted, the Board has undertaken a detailed self-assessment of its performance, skills, knowledge, composition, experience, independence and diversity to ensure that it continues to administer its duties and responsibilities effectively by utilising the following director attributes:

- the skills, experience and expertise relevant to each Director in office at the date of the Annual Report, referred to in the Directors' Report
- extensive operational experience and knowledge of the sectors in which the Company operates
- extensive major project management experience both nationally and internationally
- strong experience in capital and financial markets, within Australia and internationally
- understanding of and experience in health, safety, environment and community
- global economic, social and environmental policy and practice across a range of industries
- robust accounting, financial skills, qualifications and experience

- strategic leadership across a diverse range of operations in the minerals industry
- extensive experience in publicly listed ASX companies.

The Board has five members and considers its three Non-Executive Directors to be independent of Management and free from any business relationship or other circumstances that could materially interfere with the exercise of objective, unfettered or independent judgement. The following additional material is included in the Annual Report (within the Directors' Report):

- the names of the Directors considered by the Board to constitute independent Directors
- whether any independent Director has a material contract or relationship that would compromise their independence
- the period of office held by each Director in office at the date of the Annual Report. Following the 2021 Board appointments, tenure ranges from four months to less than three years for the independent Directors.

As the three Non-Executive Directors, Mr Ian Smith, Mr Ron Douglas and Mr Greg Robinson, are considered to be independent, the Company has a majority of independent Directors. The remaining Directors are the Chief Executive Officer/Managing Director and the Chief Financial Officer/Executive Director of Finance who are not considered independent. The independent Non-Executive Directors will meet from time to time without Executive Directors present.

The determination of Director independence and interests is reviewed on a regular basis by the Board and is a standing item on the Board Meeting agenda.

Mr Ian Smith is currently the Non-Executive Chairman (and he is not the CEO) of the Company. Mr Smith is considered to be an independent Director.

Directors joining Rex's Board are provided with a formal letter of appointment and induction pack which contains information regarding:

- the expected time commitments, rights, duties and responsibilities of Directors
- the role of Board Committees, and membership of specific Committees if applicable
- material relevant to the Company's strategy, operations, investments and governance structures.

To assist in the ongoing performance of their duties, all Directors (including new Directors):

- are provided with appropriate information in a timely manner and can request additional information at any time
- have access to Senior Executives and the Company Secretary
- have access to appropriate continuing professional development opportunities. In particular, the Board attends industry functions and regularly receives presentations, from both internal and external resources, as part of ongoing Director education.

3 Act ethically and responsibly

A listed entity should instil and continually reinforce a culture across the organisation of acting lawfully, ethically and responsibly.

Vision, purpose and values

During the year, the Board reflected on a wide range of input in relation to its core Vision, Purpose and Values. Following consultation with Management and employees, the Board has approved the following core statements:

- Vision** We produce the minerals needed for the world we all envision.
- Purpose** We explore and mine responsibly to benefit our stakeholders and contribute to a more sustainable world.
- Values** Responsibility; Teamwork; Respect; Integrity; Growth.

Code of Conduct and policies

Rex's Code of Conduct sets out its expectations for the conduct of its Directors, Senior Executives and employees, and includes business conduct, personal and professional conduct (such as confidentiality, personal and ethical behaviour and respect for others).

Rex also has in place a policy concerning trading in its securities. The Share Trading Policy includes detailed requirements for Directors, officers, key management and employees/consultants regarding the circumstances when they may trade in the Company's securities. The Company has additional policies in place in relation to work, health and safety and each person is responsible to ensure their conduct genuinely meets these requirements.

Rex has a Whistleblower Policy in place and the Company is committed to the highest standards of conduct and ethical behaviour in its business activities, and to promoting and supporting a culture of honest and ethical behaviour, corporate compliance and good corporate governance. Rex encourages the reporting of any instances of unethical, illegal, fraudulent or undesirable conduct involving the Company's businesses and will ensure that those persons who make a report shall do so without fear of intimidation, disadvantage or reprisal.

Rex does not have a standalone anti-bribery and corruption policy, however, the Company's Code of Conduct sets out its expectations for the conduct of its Directors, Senior Executives and employees, and includes business conduct, personal and professional conduct (such as confidentiality, personal and ethical behaviour and respect for others).

Any material breaches of these Policies are brought to the Board through the Audit Committee.

4 Safeguard the integrity of corporate reports

A listed entity should have appropriate processes to verify the integrity of its corporate reports.

Reporting integrity

The members of the Audit Committee are Mr Greg Robinson, Mr Ian Smith and Mr Ron Douglas. Mr Robinson is the independent Chair of the Committee (and he is not Chair of the Board). The Directors consider that the Committee is of sufficient size, independence and technical expertise to discharge its mandate effectively. The Board is also restructuring its Audit Committee to include all matters relating to risk and governance. All members of the Committee are considered to be independent Directors. All Directors are invited to attend any Audit Committee Meetings held during the year.

The following material is provided in the Directors' Report contained in the Annual Report:

- the names and qualifications of those appointed to the Audit Committee and their attendance at meetings of the committee; and
- the number of meetings of the Audit Committee.

The Committee's charter sets out the specific role and duties of the Audit Committee.

Before it approves the Company's statements for a financial period, Rex ensures that it receives from its CEO and CFO a declaration that, in their opinion, the financial records of Rex have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity, and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively. These declarations were received during the reporting period.

The CEO and Senior Management will review and approve any periodic corporate report prior to release to the market that does not require external audit review and sign off, for example, Quarterly Reports. When required, the Audit Committee will provide the Board with any further review and approval of unaudited periodic reports. The external auditor audits and reviews the Company's reports for every half-year and full-year period.

5 Make timely and balanced disclosure

A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.

Continuous disclosure

Rex has established written policies and procedures designed to ensure timely and accurate compliance with ASX Listing Rule disclosure requirements and accountability for compliance. When the Company makes an announcement to the market, that announcement is released to the ASX. ASX announcements are approved for release by the Board or an approved delegate. A copy of each announcement is posted on the Company's website following release to the market by the ASX. Rex's Continuous Disclosure Policy sets out its policies and procedures with regard to complying with its disclosure obligations under the Listing Rules.

Continuous disclosure is a standing agenda item for discussion at each Board Meeting.

When any market announcement (including investor or analyst presentations) is released to the ASX Announcements Platform, a copy of the confirmation of release is immediately distributed to all Directors. Additionally, a summary of ASX announcements made since the previous meeting is a standing agenda item at each Board Meeting.

The Company ensures all shareholders and investors receive timely information and updates on its activities at the same time. Investor presentations that contain new information are lodged with ASX ahead of the presentation via the ASX Announcements Platform. Once released to the market by ASX, a copy is then uploaded to the Company's website.

6 Respect the rights of security holders

A listed entity should provide its security holders with appropriate information and facilities to allow them to exercise their rights as security holders effectively.

Investor information

Rex recognises the rights of its security holders and other interested stakeholders to have easy access to accurate and timely information about the Company and its operations.

The Company has established a program of effective communication with stakeholders. Market disclosures, presentation materials, interviews and videos are promptly made available on Rex's website and social media platforms. Rex participates in roadshows and has a presence at conferences, both within Australia and internationally, providing the opportunity to meet with investors, institutions, brokers, analysts and other stakeholders.

Investors and stakeholders are encouraged to send enquiries or subscribe to the Company's electronic mailing list via its website. Rex also responds to emails and telephone enquiries in a timely and responsive manner. Shareholders are encouraged to participate in shareholder meetings, including the Annual General Meeting, and are invited to ask questions of the Board and management in attendance at these meetings.

The Company has established effective communication with investors through the communication channels described above. The Company responds to queries in accordance with its continuous disclosure obligations, all information provided is subject to what is available in the public domain.

The external auditor also attends Rex's AGM and shareholders may submit written questions to the auditor to be considered at the meeting in relation to the conduct of the audit and the preparation of the Audit Report.

The Chairman also encourages shareholders at meetings to ask questions regarding the Company's current activities. The Chairman, or at his discretion, may respond to these questions or refer to another Director or member of the management team to respond. Rex will hold virtual shareholder meetings where required and online attendance, and submission of questions, is encouraged by the Company.

At Rex's Shareholder meetings, all resolutions are decided by poll with the outcome of the meeting's resolutions lodged with ASX following closure of the meeting. A decision by poll ensures the certainty of the Listing Rules' principle of 'one security one vote'. Shareholders are encouraged to participate by voting electronically prior to the proxy close off date.

The default option for new Rex Shareholders is that communication is electronically received through the Company's share registry. Existing Shareholders are encouraged where possible to elect to receive shareholder communication electronically.

The Company's Share Register is managed and maintained by Computershare Investor Services. Contact details can be found within the Corporate Directory on the About Us page of Rex's website. By providing a secure platform for Shareholders to view and manage their security records online, Computershare actively facilitates and encourages the use of electronic communications.

7 Recognise and manage risk

A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.

Risk Matters/Issues is a standing agenda item for discussion at each Board Meeting.

Rex's Board reviews the Company's risk management framework on a regular basis to ensure it continues to be sound and appropriate for its risk profile. The Board also evaluates all risks relating to the Company at regular intervals throughout the year to ensure that all existing risks are being monitored and managed effectively and that the Company is not being exposed to any new risks.

Given the size of the Company, the Board does not consider that a separate internal audit function is necessary at this stage of Rex's development. However, a responsibility of the Audit Committee is to monitor compliance with the Company's internal control systems. The Committee will bring any material breaches to the Board.

While Rex is exposed to a number of general risks, given its present circumstances and stage of development, it does not consider that it has a substantial exposure to any major economic, environmental or social risks at this time. However, this position is continually being reassessed as the Company moves towards development of its Projects.

As part of the Company's regular risk management review, the Board considers a wide range of risks, including the following environmental and social risks:

- **Environmental risks:** Risks associated with proposed operations and exploration activities are assessed in respect of Federal and State legislation and regulations. The Company will carefully monitor and assess environmental risks within all its operations for future reports. This is particularly important timing for the Company's Hillside Project as it moves into its next phase of development.
- **Social and community risks:** The Company maintains open communication with the communities surrounding the proposed operations and exploration activities of its Projects to reduce any foreseeable negative impacts on those communities. Rex is developing a range of ESG compliance and reporting as it moves into its next phase of development.

8 Remunerate fairly and responsibly

A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders and with the entity's values and risk appetite.

Board and executive remuneration

The Remuneration Committee's operation, membership and structure is detailed under Recommendation 2.

The Remuneration Committee conducted a comprehensive review of the Company's remuneration structure, including Director and Senior Executives remuneration. Details of the Company's remuneration and framework are included in the Remuneration Report within the Annual Report.

Details of Directors' and Executives' remuneration, including the principles used to determine the nature and amount of remuneration, are disclosed in the Remuneration Report section of the Annual Report.

Rex's Share Trading Policy expressly prohibits relevant participants from trading in financial products issued or created over the Company's securities by third parties, or trading in associated products and entering into transactions in associated products which operate to limit the economic risk of security holdings in the Company over unvested entitlements.

Further guidance in relation to trading in Rex's securities can be found in its Share Trading Policy which is available on the Company's website.