

**ASX and Media Release: 26 October 2009**

**ASX code: RXM**

## **Equity Capital Raising of \$42 million – Underwritten Entitlement Offer**

Rex Minerals Limited is pleased to announce an underwritten equity raising of approximately \$42 million comprising a 3 for 10 accelerated non-renounceable pro-rata entitlement offer ("Entitlement Offer") at an offer price of \$1.70 per share.

The Entitlement Offer will comprise a non-renounceable entitlement offer to institutional shareholders ("Institutional Entitlement Offer") and to retail shareholders ("Retail Entitlement Offer").

The Entitlement Offer is underwritten by E.L. & C. Baillieu Stockbroking Ltd.

Eligible shareholders will be able to subscribe for 3 new shares for every 10 shares they own at an offer price of \$1.70 per share. Entitlements are non-renounceable and will not be tradeable on ASX or otherwise transferable.

The Institutional Entitlement Offer will be conducted on Monday, 26 October 2009. Rex expects to announce the outcome of the Institutional Entitlement Offer prior to the market opens on Tuesday, 27 October, with trading expected to recommence at 10.00 am (AEDT) on that day. The Retail Entitlement Offer will be open between Friday, 30 October 2009 and Tuesday, 17 November 2009. The Record Date for the Entitlement Offer will be 7.00 pm (AEDT) on Wednesday, 28 October 2009.

Further details of the Entitlement Offer, including details of the timetable and key risks, are contained in the attached investor presentation. A Retail Entitlement Offer Booklet together with the investor presentation will be mailed to eligible retail shareholders on Friday, 30 October 2009.

For further details, please contact:

Steven Olsen (Managing Director)  
or Janet Mason (Company Secretary)  
Phone: 03-5337-4000  
E-mail: [info@rexminerals.com.au](mailto:info@rexminerals.com.au)

Media inquiries to:  
Simon Jemison C/. Collins Street Media  
Phone: 0408-004-848 or 03-9224-5319  
Email: [simon@collinsstreetmedia.com.au](mailto:simon@collinsstreetmedia.com.au)

>> **Pine Point  
Copper Belt**



>> **Yorke Peninsula  
An emerging field of discovery >>**



Capital Raising and  
>> **Site Tour Presentation**  
**28 October 2009**

## Disclaimer

The presentation (in this projected form and as verbally presented) ("Presentation") is provided on the basis that none of the Company nor its respective officers, shareholders, related bodies corporate, partners, affiliates, employees, representatives and advisers make any representation or warranty (express or implied) as to the accuracy, reliability, relevance or completeness of the material contained in the Presentation and nothing contained in the Presentation is, or may be relied upon as a promise, representation or warranty, whether as to the past or the future. The Company hereby excludes all warranties that can be excluded by law.



The Presentation contains prospective financial material which is predictive in nature and may be affected by inaccurate assumptions or by known or unknown risks and uncertainties and may differ materially from results ultimately achieved.

The Presentation contains "forward-looking statements". All statements other than those of historical facts included in the Presentation 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, 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".

The Presentation contains general background information about the Company and its activities current as at the date the date of this presentation, 26 October 2009. The information in this Presentation is in summary form only and does not contain all the information necessary to fully evaluate any transaction or investment. It should be read in conjunction with the Company's other periodic and continuous disclosure announcements lodged with the ASX, which are available at [www.asx.com.au](http://www.asx.com.au) and other publicly available information on the Company available at [www.rexminerals.com.au](http://www.rexminerals.com.au).

The Presentation does not constitute an offer, invitation or recommendation to subscribe for or purchase any security and does not form the basis of any contract or commitment. The Presentation, the entitlement offer and the contracts formed on acceptance of the relevant applications are governed by the laws applicable in Victoria, Australia. Each person who applies for new shares submits to the jurisdiction of the courts of Victoria, Australia.

All persons should consider seeking appropriate professional advice in reviewing the Presentation and the Company.

The information in this presentation that relates to Exploration Results, Mineral Resources and Exploration Potential is based on information compiled by Mr Steven Olsen. Mr Olsen is an employee of Rex Minerals Ltd, is a member of the Australian Institute of Mining and Metallurgy and is a Competent Person under the definition of the 2004 JORC Code. The Exploration Potential described in this Presentation is conceptual in nature, and there is insufficient information to establish whether further exploration will result in the determination of a Mineral Resource. Mr Olsen consents to the publication of this information in the form and content in which it appears.

## Executive Summary



1. Entitlement Offer details
2. Company Overview
3. Assets (100% owned):
  - Pine Point Copper Belt, SA
    - Hillside Project
  - Mt Carrington, NSW
4. Path to Development
5. Appendix

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Rex is an Australian minerals exploration company with recent copper discoveries in South Australia and New South Wales. Rex seeks to discover multiple copper deposits leading to the development of a large scale, low cost and long life mining operation on the Yorke Peninsula in South Australia.

Existing gold and silver Resources and a shallow copper discovery at Mt Carrington in NSW also provide Rex with a shorter term development option. The project portfolio is therefore expected to provide Rex with a sustainable pipeline of development opportunities.

This presentation will focus initially on the important attributes that make up these two major assets that Rex owns 100%.

The planned timeline for the growth of Rex's copper-gold projects in South Australia is also discussed, followed by a review of the experience and expertise of the Board and Management team who will drive this development pathway.

## Entitlement Offer Details



- Rex has announced a 3 for 10 Accelerated Non-Renounceable Pro Rata Entitlement Offer (Entitlement Offer) to raise approximately \$42 million
- The Entitlement Offer comprises:
  - underwritten Institutional Entitlement Offer
  - underwritten Retail Entitlement Offer
- Offer Price of \$1.70 representing a 21% discount to the 5 day VWAP of \$2.15 as at Thursday 22 October, 2009
- The Entitlement Offer is underwritten by E.L. & C Baillieu Stockbroking Ltd

## Entitlement Offer Details



- The Entitlement Offer proceeds will be used by the Company to cover costs associated with three main activities. A total of 5 drilling rigs are anticipated to be employed over the next 18 months for the following purpose:
  - Commence resource definition drilling at Hillside, with an initial Resource anticipated by 30 June, 2010, and a further upgrade close to December 2010
  - Commence testing of the large number of targets that have been generated from the new high resolution magnetic survey over the Pine Point Copper Belt, South Australia
  - Complete drill testing the large scale concepts for copper, gold and silver mineralisation at Mt Carrington, NSW
- All eligible shareholders will have an equal opportunity to participate
- Some shareholders resident outside Australia and New Zealand are not eligible to participate in the Entitlement Offer due to securities law restrictions on the offer of Rex shares in certain jurisdictions

## Entitlement Offer – indicative timetable\*



Event	Date
Institutional Entitlement Offer opens	Monday, 26 October 2009 (10.00am)
Institutional Entitlement Offer closes	Monday, 26 October 2009 (5.00pm)
Institutional Bookbuild	Monday, 26 October 2009
Shares recommence trading on ASX	Tuesday, 27 October 2009 (10.00am)
Record date for determining entitlements	Wednesday, 28 October 2009 (7.00pm)
Settlement of Institutional Entitlement Offer	Thursday, 29 October 2009
Retail Entitlement Offer opens	Friday, 30 October 2009
Allotment and trading of new shares under Institutional Entitlement Offer	Friday, 30 October 2009
Retail Entitlement offer closes	Tuesday, 17 November 2009
Settlement of Retail Entitlement Offer	Monday, 23 November 2009
Allotment and trading of new shares under Retail Entitlement Offer	Tuesday, 24 November 2009

\*Dates and times are indicative only and subject to change. All times refer to Australian Eastern Daylight Savings Time (AEDT)

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6

# Corporate Snapshot



**Ticker:** RXM

**Shares:** 82.87 Mill + 7.33m options

**Cash at Bank:**

**Mkt Cap:** \$169M at \$2.04-a-share

\$10.6M as at 30/9/09

## Board & Management

**Paul Chapman** - Chairman

**Steve Olsen** - Managing Director

**Richard Laufmann** – Director

**Geoff Lowe** - Exploration Manager

**Janet Mason** - CFO & Co.Sec

## Major Shareholders

Directors	11.3%
Grand South	8.8%
Eye Investment	8.8%
Greenstone Property	7.5%
Acorn	6.1%
IAM	4.5%
Avoca	3.7%

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7

Notes:

Details of the unlisted options;

No. Options	Exercise Price	Expiry Date
300,000	\$0.70	31/5/2012
180,000	\$0.40	30/6/2011
150,000	\$0.365	30/6/2011
1,000,000	\$0.30	30/6/2011
5,700,000	\$0.25	30/6/2011



## South Australian Projects



8

*South Australian Projects Movie Presentation – can be downloaded separately from the Rex Minerals website [www.rexminerals.com.au](http://www.rexminerals.com.au)*

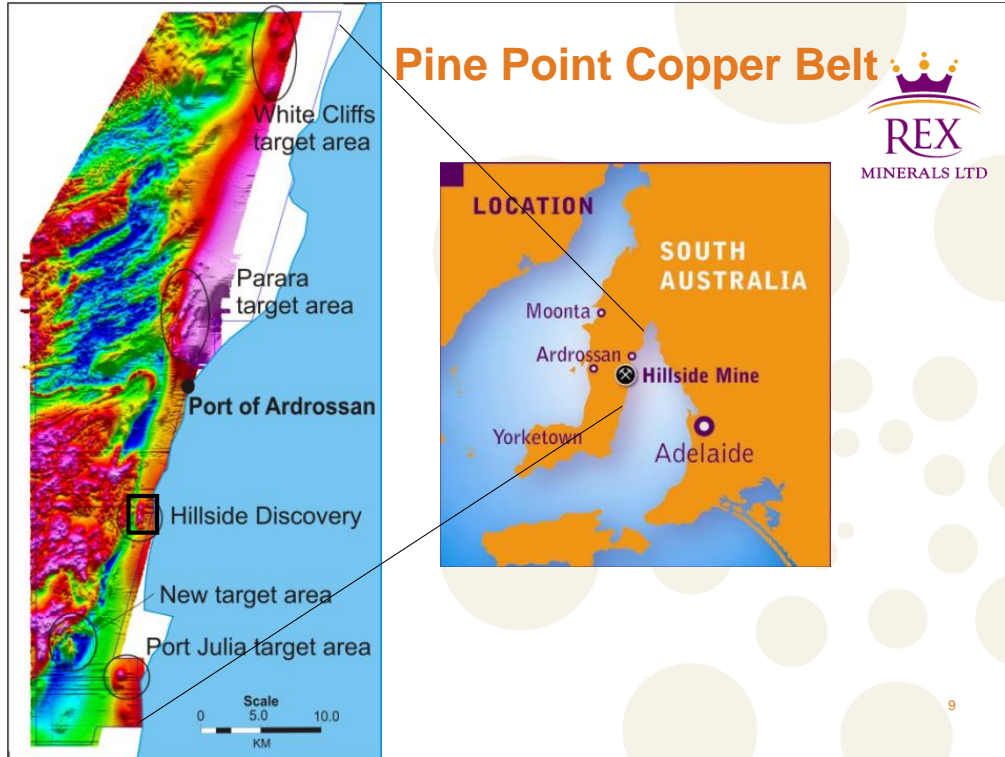
Rex Minerals has exploration licences in one of the most prospective locations in the world for large scale copper, gold and uranium deposits. The Projects are located in South Australia, within the geological terrain called the Gawler Craton. The Gawler Craton hosts the World Class Olympic Dam deposit and the more recently discovered Prominent Hill and Carrapateena deposits.

Rex has copper-gold-uranium projects at Pine Point and at Wandearah. Both Projects are within a 2 hour drive of Adelaide and are close to the coastline with existing port facilities nearby. At Pine Point, Rex is focussing on the Hillside target. The historical Hillside mine had recorded production at a grade of over 20% copper. This occurs next to a large regional fault, known as the Pine Point fault. This fault is considered by Rex to be an important control on the copper-gold-uranium deposits at the Yorke Peninsula.

Rex has used both magnetic and gravity surveys to identify where to test for copper-gold-uranium mineralisation at Hillside. Diamond drilling by Rex at Hillside has discovered a number of structures which contain copper, gold and uranium. These structures have been defined for up to two kilometres in length. A recent drill hole located within a structure called the Zanoni, intersected some large sections of very high grade copper and gold mineralisation. Rex is continuing to test for high grade copper, gold and uranium at Hillside. For comparison, a number of the anomalies that Rex is testing are similar in size to the Prominent Hill deposit, which has approximately 1.5 million tonnes of contained copper.

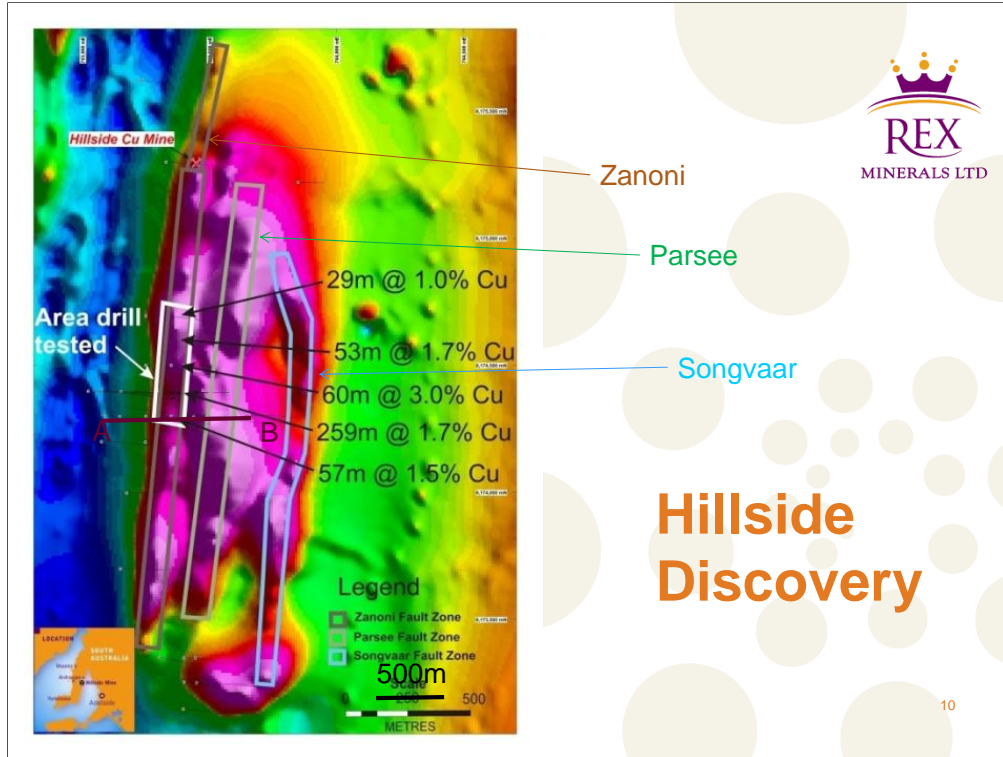
There are a number of historical copper mines which exist near the Pine Point Fault. Rex believes that they are all potential locations for large scale copper-gold and uranium, and that Rex will ultimately uncover a number of large copper-gold-uranium deposits on the Yorke Peninsula.

At Wandearah, the prospective rocks are underneath 300 to 500 metres of cover. Rex is looking for a much larger deposit at Wandearah, based on a very large Magnetic and Gravity anomaly. For comparison, Olympic Dam, one of the world's largest copper deposits, could comfortably fit within the area defined by this anomaly.



Following the successful definition of magnetite-rich zones containing copper mineralisation from a detailed magnetic survey at Hillside (announced 24 August, 2009) a high resolution regional magnetic survey was completed over the entire Pine Point Copper Belt. The results from this survey (shown above) have identified a number of linear magnetic features of variable size, including many that are much larger than the Hillside magnetic anomaly. Drill testing will be conducted to identify which of these features are related to copper mineralisation. Some of the larger magnetic anomalies including the Parara and White Cliffs target areas occur in close proximity to high grade historical copper mines similar to the Hillside Project.

Rex's licence holding extends for over 60km along the Pine Point Copper Belt. The exploration effort in South Australia is aimed at finding multiple large scale copper-gold deposits on the Yorke Peninsula.

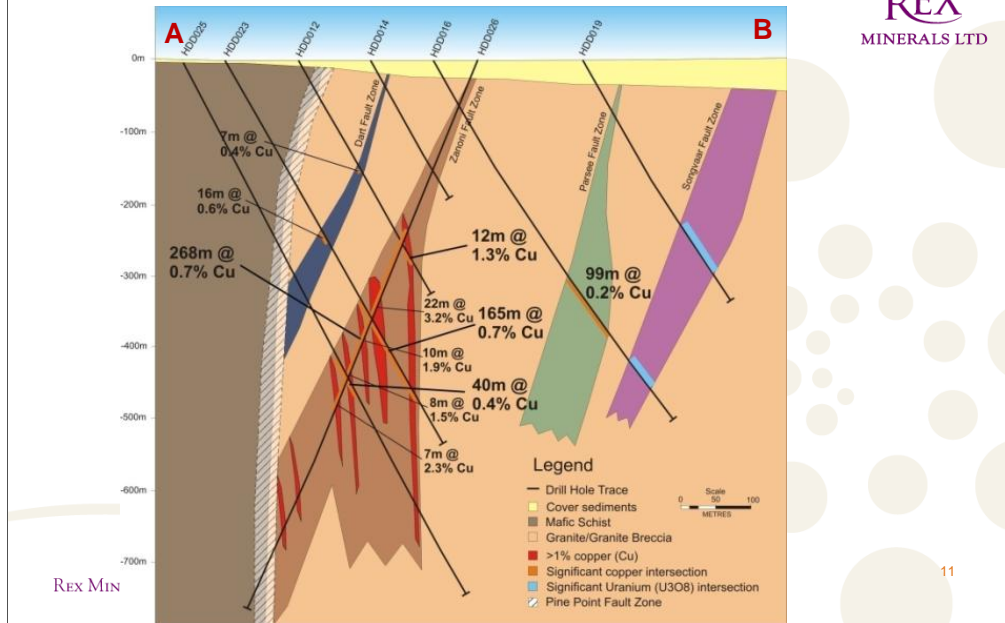


In August 2009 Rex announced the results from a new high resolution magnetic survey over the Hillside Project. The results from this magnetic survey (shown above) were particularly significant in revealing three major features that are interpreted to be three continuous magnetic zones known as Zanoni, Parsee and Songvaar. The largest magnetic feature is known as the Parsee magnetic zone which at the completion of the magnetic survey had not been tested with drilling. The majority of the high grade copper results completed to date at Hillside are interpreted to be related to the Zanoni magnetic zone, which is related to the western magnetic feature.

Drilling has recently been completed over the Parsee structure close to the peak of the largest magnetic response recently defined. This drill hole (HDD042) intersected shallow secondary (chalcocite) copper mineralisation at a depth of 79.5m down hole, followed by significant primary copper mineralisation (chalcopyrite) hosted by magnetite from 100m to 145m down hole.

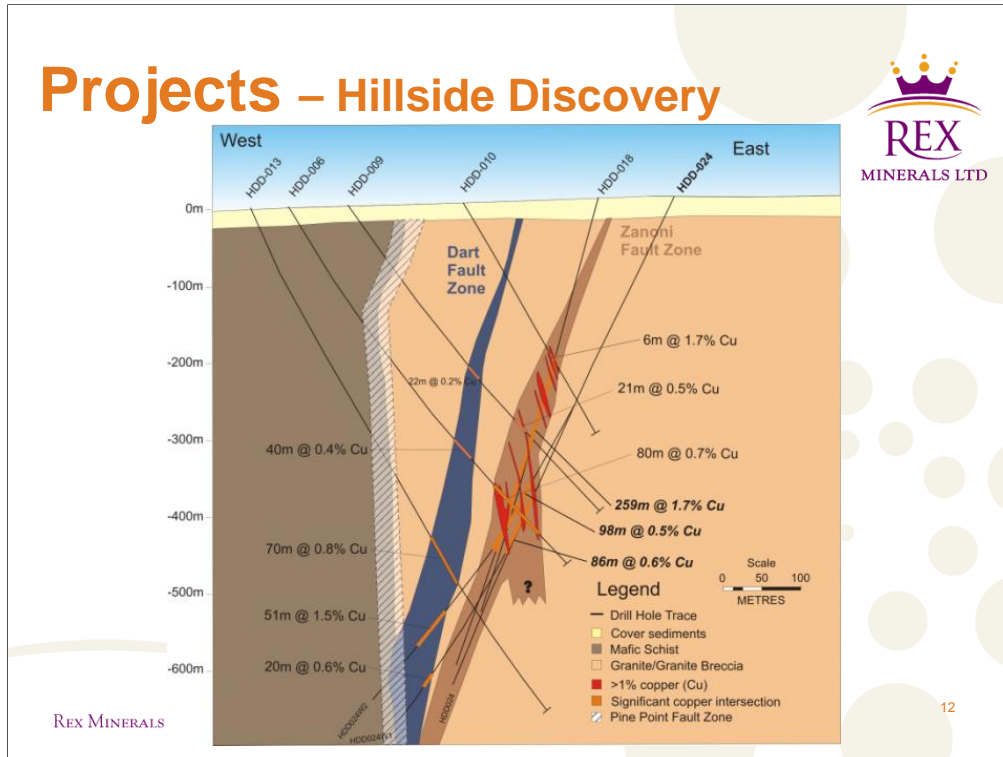
The continued association between the magnetite and copper has significant implications for the Hillside project. This result now opens up the potential for additional large scale copper mineralisation on the Parsee zone which is considered to be very similar in nature to that observed on the Zanoni.

# Projects – Hillside Discovery



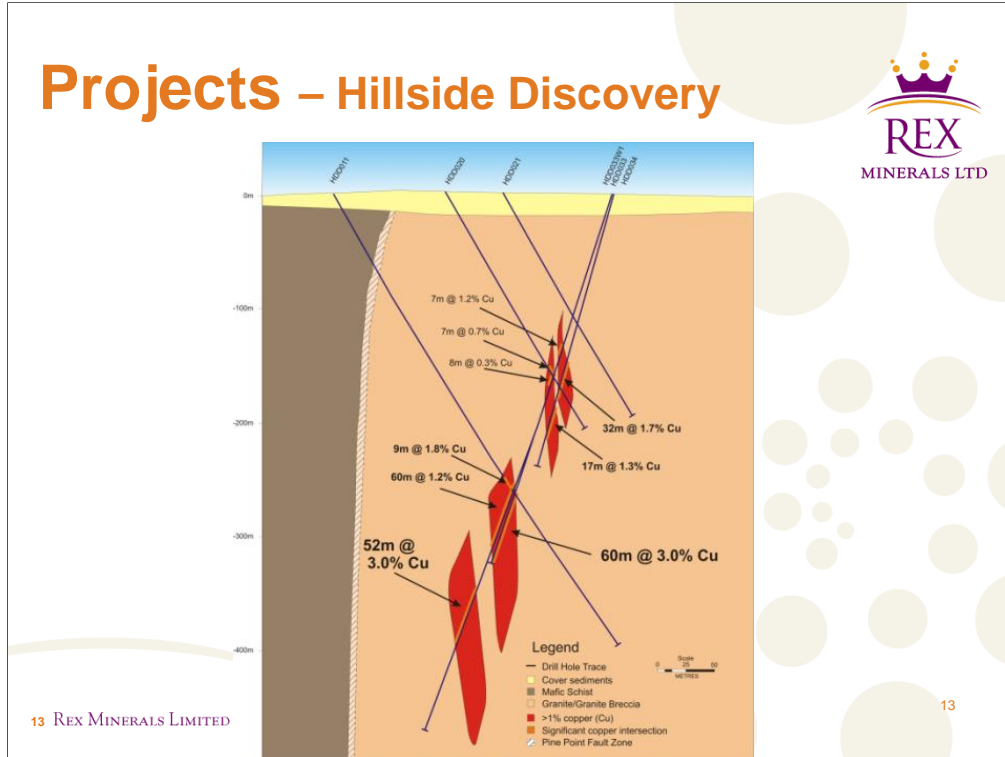
The southernmost cross section drilled in detail to date over the Zanoni target area has defined a broad zone of mineralisation for up to 120m in width, with most of the mineralisation at between 200 and 500m beneath the surface.

## Projects – Hillside Discovery



Drilling on the Zononi structure located 100m north of the previous slide identified a series of very high grade copper lenses, which dip steeply in the opposite direction to the main structure (shown in red). The combination of these high grade intervals and surrounding lower grade rocks produced drilling results which are of an exceptional quality over good large scale mining lengths, including: 75m (estimated true width of 31.7m) @ 3.3% copper and 0.8 g/t gold and 26m (estimated true width of 11m) @ 4.4% copper and 0.9g/t gold. The total down hole interval for drill hole HDD018W1 was 259m @ 1.7% copper and 0.4g/t gold.

# Projects – Hillside Discovery



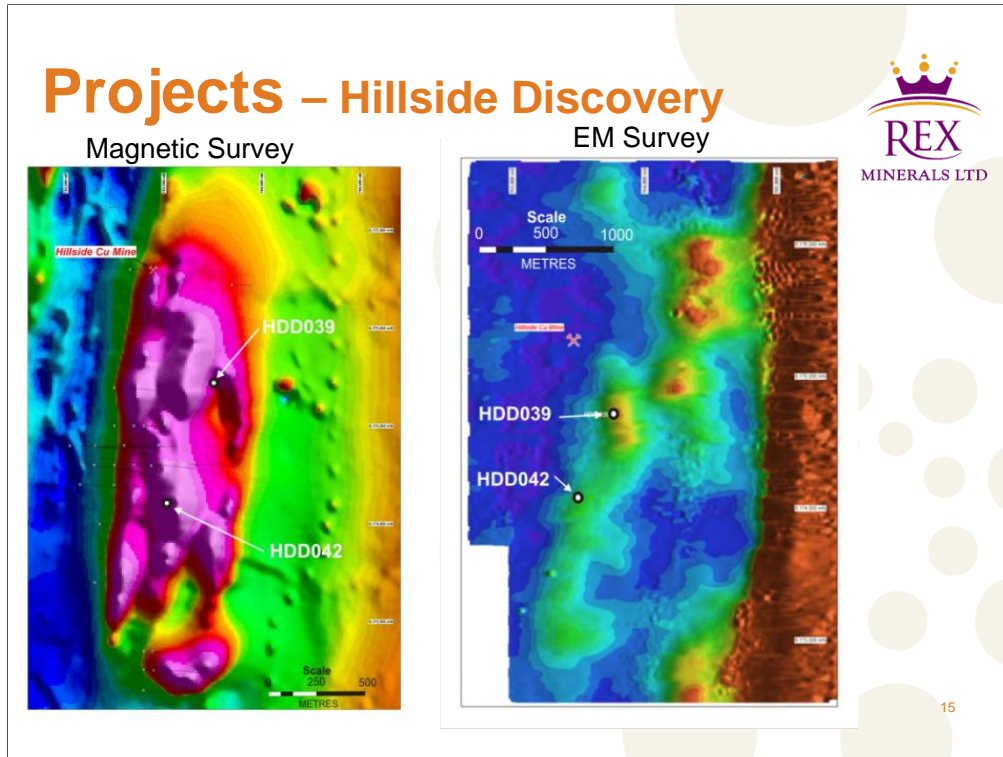
Additional drilling situated a further 100m to the north has also returned thick high-grade copper results. Assay results from drill hole HDD033 intersected 60m @ 3.0% copper and 0.5g/t gold. This intersection also exists within the Zanoni magnetic zone and is interpreted to be the northern extension of the mineralisation intersected in the previous two cross sections.

The mineralisation appears to be getting shallower as the drilling extends further to the north, with the mineralisation from this cross section starting at approximately 150m beneath the surface.

## Hillside - Drill Core



The high grade copper mineralisation at Hillside is dominated by the copper mineral chalcopyrite which is typically found in associated with magnetite and pyrite as seen above. This mineralisation appears to be controlled by near vertical structures which contain sections of high grade copper mineralisation at certain favourable locations.



Rex has also commenced drill testing of a geophysical electromagnetic (EM) anomaly which was defined from the recently completed survey at Hillside (image on right hand side). The first drill hole (HDD039) has intersected a sequence of deeply weathered rocks containing a range of secondary copper minerals including native copper, atacamite and chalcocite.

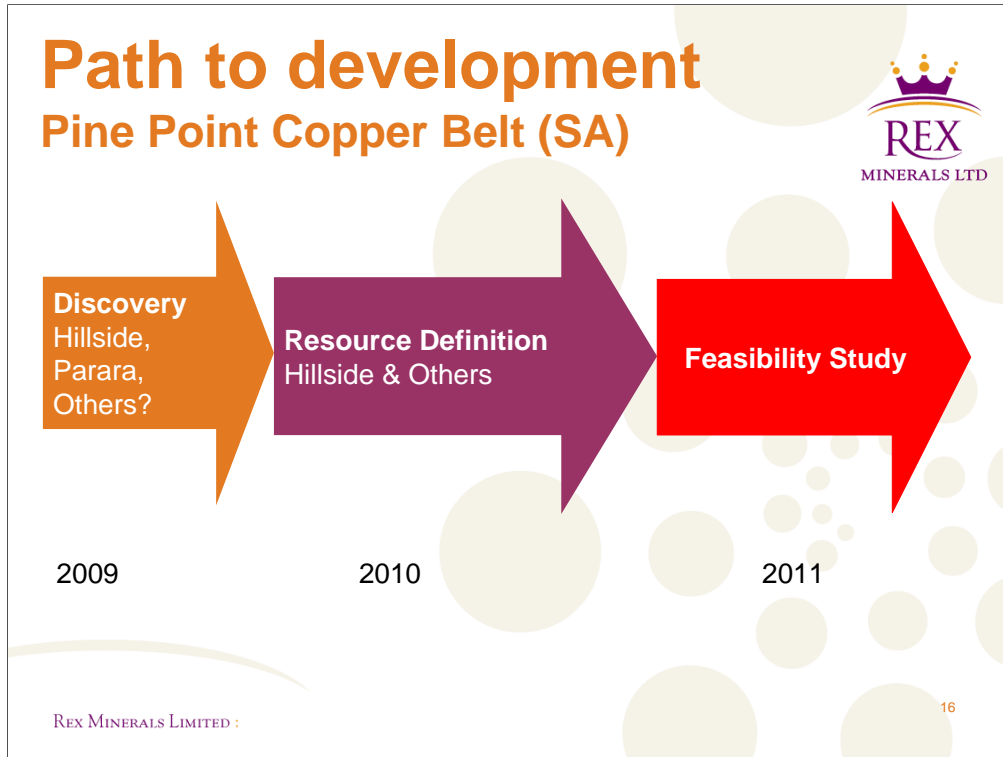
The large thickness and shallow depth of this secondary copper mineralisation, combined with the size of the EM anomalies indicates that significant near-surface supergene copper zones could exist at the Hillside project and Rex will investigate this with further drilling in tandem with the current program focussed on the primary copper zones. The presence of secondary copper mineralisation near the surface in close proximity to a large primary copper deposit has been reported previously on the Yorke Peninsula at the historical Moonta/Wallaroo copper deposits. Other large copper deposits, such as the Ernest Henry copper deposit in Qld, also show similar primary and secondary mineralisation with an EM anomaly associated with native copper mineralisation.

Assay results for drill hole HDD039 have been returned, except for a section of drill core that contained the largest occurrence of native copper. The most significant assay results returned to date from HDD039 include:

- 108m @ 0.2% copper from 33m,
  - Including 34m @ 0.4% copper from 83m down hole,
- 15m @ 2.0g/t gold from 54m, and,
- 44m @ 3.1g/t silver from 28m.

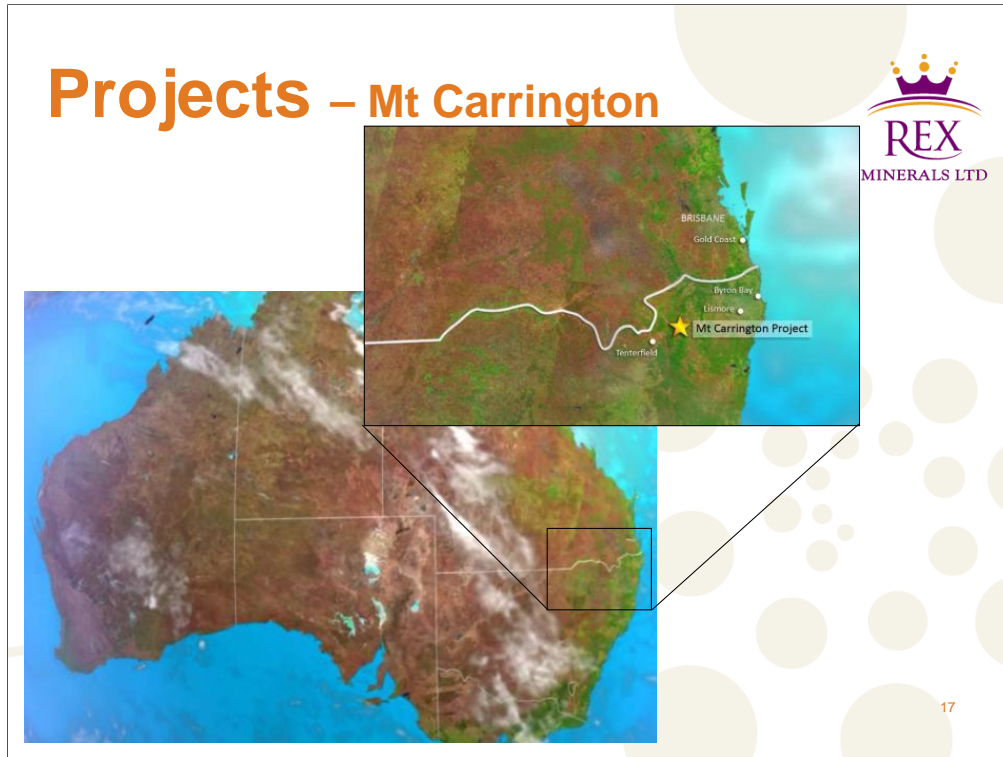
*(note: some core loss was encountered in the deeply weathered rocks down to 100m depth)*





Rex has moved forward from the discovery stage to the Resource definition stage with two key projects. As the Resources are more clearly defined, Rex will rapidly progress each project towards a feasibility study.

In South Australia Rex is looking to use large economies of scale in combination with the obvious competitive advantage that this project has by being located close to existing port facilities to find the best possible outcome on its projects on the Pine Point Copper Belt. Therefore, the exploration effort in South Australia is dedicated to defining additional copper mineralisation that can ultimately show that a large scale and long lived copper project exists on the Yorke Peninsula.



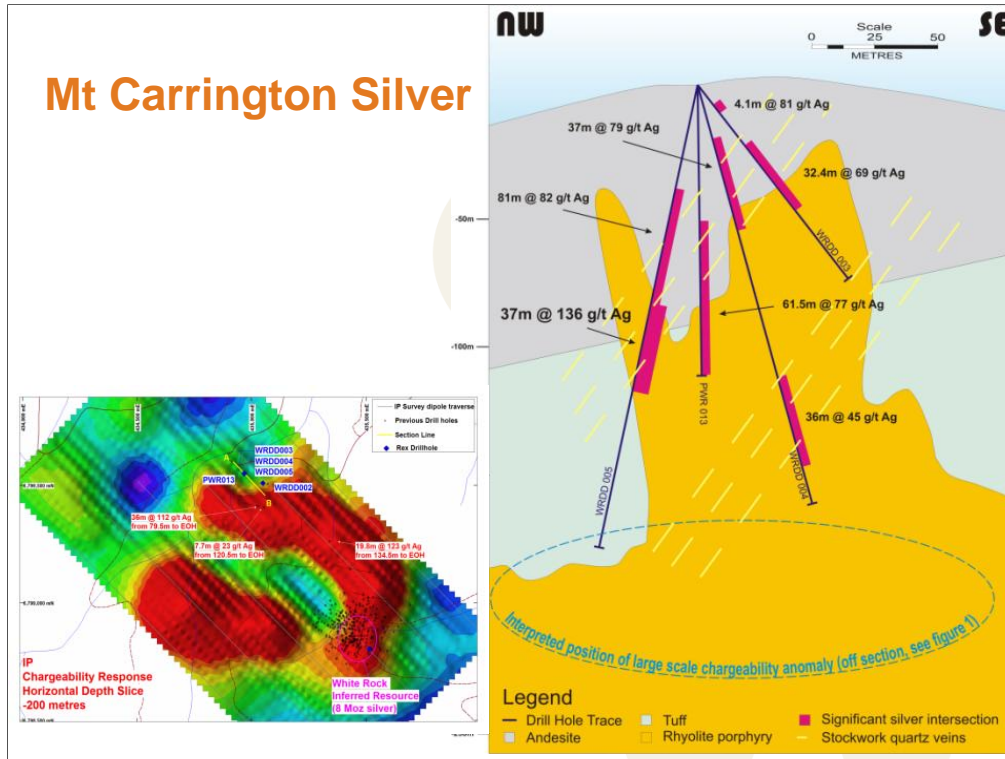
*Mt Carrington Project Movie Presentation – can be downloaded separately from the Rex Minerals website [www.rexminerals.com.au](http://www.rexminerals.com.au)*

The Mt Carrington Project is situated in north-eastern New South Wales and is a 1 hour drive from the major regional township of Lismore. The Project area is centred around the small township of Drake with the main mining licenses located 5km to the north. Infrastructure at Mt Carrington was established by previous mining operations and includes a tailings dam, processing plant site, freshwater dam and access to mains power.

190,000 ounces of shallow gold Resources exists at Mt Carrington including 150,000 ounces of gold situated within the Kylo and Strauss deposits. Most of the gold Resource at Strauss and Kylo start at the surface and extends to a depth of 80 metres.

Silver and Gold Resources also exist at the Lady Hampton deposit which lies 1km to the east. This deposit contains 2 million ounces of silver and 30,000 ounces of gold with extensive silver mineralisation found within the surrounding drill holes.

A large scale silver project called White Rock exists 5km west of the main project area at Mt Carrington. White Rock has 8.1 million ounces of silver Resources, with drilling beyond the existing Resource indicating the presence of a much larger silver deposit. Rex is planning to test the extent of the silver at White Rock over a 1 kilometre square area, which if successful, would make the White Rock project one of Australia's largest silver deposits.

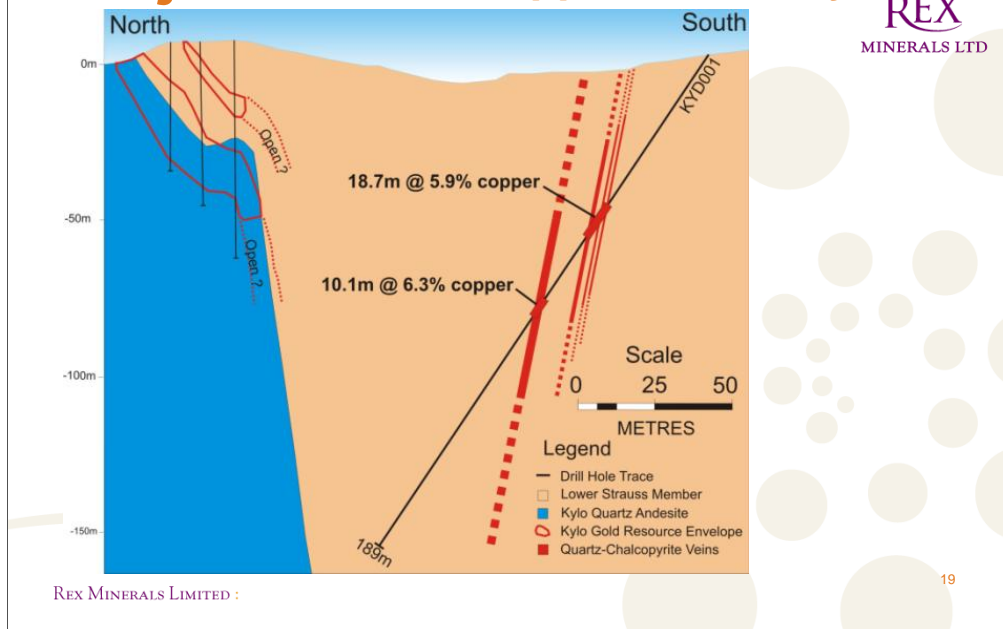


The drilling at White Rock North has provided important information on the style and potential extent of the silver mineralisation. All indications to date point to a large and shallow mineralised system existing at White Rock North, with good potential to define substantial extensions to the mineralisation both laterally and at depth.

Geological comparisons with similar porphyry-related gold-silver-copper mineralisation at White Rock indicates that the silver mineralisation has formed at elevated levels in the hydrothermal system and good potential exists to define gold – copper mineralisation at deeper levels both within and marginal to the porphyritic intrusion defined. The geological setting of the White Rock prospect bears a number of similarities to the Cadia – Ridgeway gold-copper deposits in the Lachlan Fold Belt in central NSW.

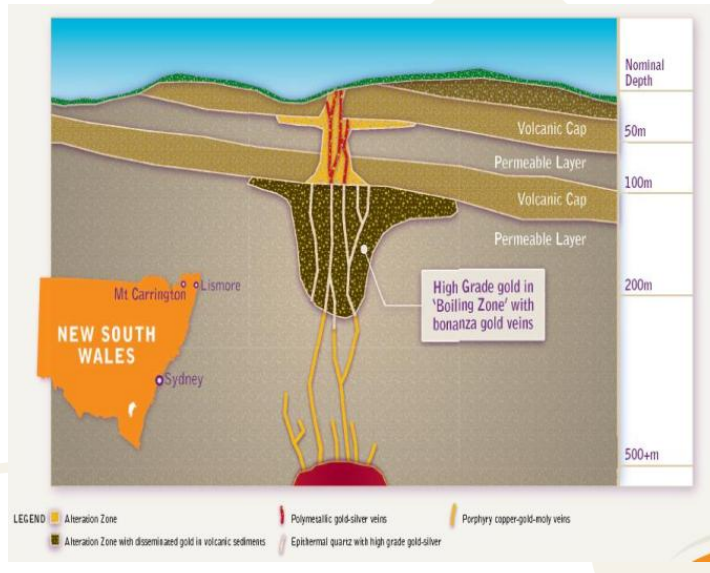
The induced polarisation (IP) anomaly that has been identified recently at White Rock (left hand figure) is interpreted to be the result of a high concentration of sulphide minerals on the margins of a large porphyry intrusion. Various sulphide minerals at Mt Carrington are typically associated with the gold, silver and copper mineralisation. The shape and location of the IP anomaly combined with the rock types identified in the recent drilling program are all consistent with there being a large mineralised porphyry intrusion at approximately 200m beneath the surface at White Rock.

# Projects – New Copper Discovery



A recent shallow and high grade copper discovery (18.7m @ 5.9% copper and 10.1m @ 6.3% copper) at Mt Carrington has the potential to add significant value to the existing gold and silver Resources. This intersection exists within a corridor of known copper anomalism, including a large area of historical copper mine workings and supergene copper mineralisation situated 600m south of this drill intersection. Rex will need to further test this structure to define the extent of the copper mineralisation.

# Projects – Mt Carrington



## Current Resource:

190,000ozs gold,

10.5Mozs silver

20

Beyond the shallow gold and silver mineralisation, this style of deposit lends itself to forming large scale high grade gold deposits at greater depths. The Pajingo project in Queensland is a good example of this. Pajingo had a total endowment of over 4 million ounces of gold, 3.5 million ounces of which exists beneath 250m below the surface. To date at Mt Carrington there are only 2 drill holes that extend more than 250m beneath the surface.

# Conclusion



- Rex has 100% ownership of two outstanding copper projects.
- Rex has right experience, capital structure and cash to deliver the next phase of its growth.
- At Pine Point Copper Belt Rex is focussing on additional copper discoveries and Resource definition with the aim of identifying a large-scale, low cost and long life mining operation.
- At Mt Carrington Rex is looking to deliver a conceptual Mine Plan in 2010 based on the shallow copper, gold and silver Resource definition drilling over the next 12 months.

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21

To sum up, Rex has made some exciting new copper discoveries in both South Australia and New South Wales.

In South Australia, Rex has intersected thick and high-grade copper which appears to be associated with a very large mineralised system. Rex believes that the best strategy here is to broadly quantify the size and scale of the copper, gold and uranium that exists on the Yorke Peninsula before narrowing the focus with the aim of delivering a new large scale and long life mining opportunity.

At Mt Carrington in New South Wales, Rex has made a new shallow and high grade copper discovery which compliments the existing shallow gold and silver Resources. This copper discovery could add significant value to the development options at Mt Carrington and the next 12 months will see some follow-up drilling for the copper, gold and silver potential there.



# Appendix

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# Board



## Steve Olsen – Managing Director

Mr Steven Olsen is a geologist with over 15 years experience in the mining industry. Mr Olsen's career includes 9 years with WMC where he held various positions as an exploration geologist and mine geologist.

## Paul Chapman – Non-Executive Chairman

Mr Paul Chapman is a chartered accountant and has over 20 years of resources experience gained in Australia and the US. He has worked in a number of commodity businesses including gold, nickel, manganese, bauxite/alumina and oil/gas.

## Richard Laufmann – Non-Executive Director

Mr Richard Laufmann is a mining engineer with a proven track record in the resources sector both in Australia and overseas. Mr Laufmann's career includes 11 years with WMC as a mining engineer and is currently the Managing Director of Indophil Resources.

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23

The board has a balanced background in accounting, mining and geology. They have all had recent success in exploring for and developing projects that have led to a significant increase shareholder value.

### **Mr Paul Chapman - Non Executive Chairman (B.Comm, ACA, Grad. Dip. Tax, CFTP(Snr), MAICD, SAFin)**

Mr Paul Chapman is a chartered accountant and has over 20 years of resources experience gained in Australia and the US. He has worked in a number of commodity businesses including gold, nickel, manganese, bauxite/alumina and oil/gas. Mr Chapman's career includes 17 years with WMC where he held various senior commercial positions. Mr Chapman has held senior management roles in public companies of various sizes and is Chairman of ASX listed Encounter Resources Ltd and Silver Lake Resources Ltd.

### **Mr Steven Olsen - Managing Director (B.Sc(Hons), M.Sc.(MinEx), Grad. Dip (F&I), MAusIMM)**

Mr Steven Olsen is a geologist with over 15 years experience in the mining industry. Mr Olsen's career includes 9 years with WMC where he held various positions as an exploration geologist and mine geologist. From 2002 to 2007, Mr Steven Olsen was Chief Geologist at Ballarat Goldfields NL (BGF) during a period where BGF went from a market capitalisation of \$10 million in 2002 to over \$350 million at the time of the merger between BGF and Lihir Gold Limited in March 2007.

### **Mr Richard Laufmann - Non Executive Director (B.Eng (Mining), MAusIMM, MAICD)**

Mr Richard Laufmann is a mining engineer with a proven track record in the resources sector both in Australia and overseas. Mr Laufmann's career includes 11 years with WMC as a mining engineer and in various management roles. His extensive operational experience includes three years as General Manager of St Ives Gold in Western Australia. Mr Laufmann also previously led WMC Resources Limited's Gold Business as General Manager – Operations. From 2002 until 2007, Mr Laufmann was Managing Director of BGF, at which time BGF merged with Lihir Gold Limited. Mr Laufmann is currently the Managing Director of Indophil Resources, a copper focused ASX listed company operating in the Philippines.



# Management



## Geoff Lowe – Exploration Manager

Mr Geoffrey Lowe is a geologist with over 20 years experience in mineral exploration for gold and copper. He has experience in a variety of geological terrains and deposit styles, and he has a track record of greenfields and near mine exploration success in Queensland, the Northern Territory and Victoria. Mr Lowe's career includes 18 years with the Normandy Mining Group and Newmont Australia Limited to 2005.

## Janet Mason– Company Secretary & CFO

Ms Janet Mason was appointed to the position of company secretary in December 2008. Ms. Mason has 15 years experience in the mining industry, including 11 years with WMC in a number of finance roles and most recently at LGL Ballarat as Commercial Manager.

REX MINERALS LIMITED :

24

### **Mr Geoffrey Lowe - Exploration Manager (B.Sc. MAusIMM)**

Mr Geoffrey Lowe is a geologist with over 20 years experience in mineral exploration for gold and copper. He has experience in a variety of geological terrains and deposit styles, and he has a track record of greenfields and near mine exploration success in Queensland, the Northern Territory and Victoria. Mr Lowe's career includes 18 years with the Normandy Mining Group and Newmont Australia Limited to 2005.

### **Ms Janet Mason - Company Secretary and CFO (CPA, B. Bus (Acc))**

Ms Janet Mason was appointed to the position of company secretary in December 2008. Ms. Mason has 15 years experience in the mining industry, including 11 years with WMC in a number of finance roles and most recently at LGL Ballarat as Commercial Manager.

## Risk factors



*Rex is a mineral exploration company with a primary focus of gold and copper. Due to the nature of Rex's business activities and mineral exploration interests, investment in the Company carries with it risks reasonably expected of an investment in a business of this type. The Company has no reserves or resources and an investment in the Company should be considered speculative. Prospective new investors should consider the risk factors described below, together with the Company's other periodic and continuous disclosure announcements lodged with ASX and other publicly available information on Rex available at [www.rexminerals.com.au](http://www.rexminerals.com.au), before investing in the Company.*

*The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.*

### **Exploration success**

The mineral tenements of the Company are in relatively early stages of exploration and potential investors should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that exploration of the tenements currently held by the Company, or any other tenements that may be acquired in the future by the Company, will result in the discovery of an economic deposit. If exploration is successful, there will be additional costs and processes involved in moving to the development phase.

The exploration costs of the Company are based on certain estimates and assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

### **Operating risks**

The operations of the Company may be affected by various factors, including failure to locate or identify deposits, failure to achieve predicted grades in exploration or mining, operational and technical difficulties in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

Having been incorporated in April 2007, the Company has limited operating history, although it should be noted that the Directors have between them significant operational experience. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

### **Additional requirements for Capital**

The Company's capital requirements will depend on numerous factors. Depending on the Company's ability to generate income from its operations and other acquisition opportunities, the Company will most likely require further financing in due course in addition to amounts raised under this capital raising. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or scale back its exploration programmes, as the case may be.

## Risk factors



### Reliance on key personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its Directors and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

### Tenement title

Interests in tenements in Australia are governed by Federal and State legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments as and when they arise.

Further, mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements or will be approved. Renewal of the term of a granted tenement is at the discretion of the relevant government authority. Renewal conditions may include increased expenditure or work commitments or compulsory relinquishment of the areas comprising the Company's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

### Market conditions

The market price of the shares in the Company can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

### Environmental risks

The operations and proposed activities of the Company are subject to Australian State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds.

It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws, in order to minimise damage to the environment and risk of liability. Nevertheless, there are certain risks inherent in the Company's activities which could subject the Company to extensive liability.

## Risk factors



### **Native title**

The Company is not aware of any native title rights which it expects to materially adversely affect its operations or performance. Whilst the Company holds this view, no guarantee can be given that these native title rights (nor any native title rights over areas in which the Company may in future acquire an interest in) will not affect the Company.

### **Political risk, commodity price volatility and exchange rates risks**

In the event that the Company achieves exploration success, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for gold or copper, technological advancements, forward selling activities and other macro-economic factors. Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar, as determined by international markets.

### **Occupational health and safety**

The mining industry has become subject to increasing occupational health and safety responsibility and liability. The potential for liability is a constant risk. If Rex fails to comply with necessary OH&S legislative requirements, it could result in fines, penalties and compensation for damages as well as reputational damage.

### **Economic risks**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities. If activities cannot be funded, there is a risk that tenements may have to be surrendered or not renewed. Furthermore, share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as (a) general economic outlook; (b) interest rates and inflation rates; (c) currency fluctuations; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; (f) terrorism or other hostilities; and (g) government fiscal, monetary and regulatory policies.



## Contact Us

Steven Olsen

Website: [www.rexminerals.com.au](http://www.rexminerals.com.au)

Email: [info@rexminerals.com.au](mailto:info@rexminerals.com.au)

Phone: 03 53374000

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