

ASX Release: 26 April, 2012

Quarterly Activities Report - for the period ended 31 March 2012

ASX Code: RXM

Shares on Issue: 176.5 million

Options on Issue: 2.4 million

Cash on hand as at 31 Mar: A\$42.4m

Market Cap as at 24 April: \$190m

Share range in quarter: 130.5c to 168.5c

Website: www.rexminerals.com.au

*New shallow high-grade
copper results at Hillside*

*Pro-forma cash position of
>\$80Mill following successful post
quarter placement of A\$42 million.*

*Scene set for Rex to deliver new
economic benchmark for Hillside
with pre-feasibility study due in
Sept 2012 quarter*

*Testing of high priority regional
targets ongoing*

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HIGHLIGHTS

Pine Point Copper Belt, Yorke Peninsula, South Australia:

Hillside Project

- Further shallow and high grade copper discovered at Hillside.
- Seven drill rigs on the Yorke Peninsula and 18,010 metres drilled in quarter.
- Best results include:
 - 31m @ 2.0% copper, 0.8 g/t gold and 21% iron (**2.5% Cu eq**)
 - 57m @ 1.8% copper, 0.4 g/t gold and 20% iron (**2.1% Cu eq**)
 - 34m @ 1.0% copper, 0.5 g/t gold and 22% iron (**1.4% Cu eq**)
 - 40m @ 1.0% copper, 0.2 g/t gold and 14% iron (**1.2% Cu eq**)
 - 32m @ 1.0% copper, 0.1 g/t gold and 16% iron (**1.2% Cu eq**)
 - 22m @ 1.0% copper, 0.2 g/t gold and 17% iron (**1.2% Cu eq**)
 - 11m @ 1.5% copper, 0.5 g/t gold and 16% iron (**1.8% Cu eq**)
 - 11m @ 1.5% copper, 0.5 g/t gold and 20% iron (**1.9% Cu eq**)
 - 18m @ 3.7% copper, 0.3 g/t gold and 24% iron (**3.9% Cu eq**)

Note: Intersections are down hole lengths

Regional Exploration Program

- Testing of several priority regional exploration targets progressed, including the Pt Julia, Equis and Ranald target areas.

Corporate:

- Raised A\$42 million through the successful placement of 35.0 million ordinary fully paid shares at A\$1.20 per share to institutional and sophisticated investors in Australia and overseas.
- The strong cash position will enable Rex to order a number of long lead items and begin the transition from explorer to miner.
- The proforma cash position of A\$80m also strengthens Rex's negotiating position to secure an optimal financing package for Hillside.

SUMMARY COMMENTS

A great deal has been achieved in the past six months. The significant number of additional high-grade copper results from extension and infill drilling at Hillside has delivered new mine development options for Rex. The Hillside pre-feasibility study has progressed well, with the shallow high-grade results and larger-scale mining options being fed into the overall economic analysis of the Hillside project. Drilling also progressed this month on Rex's regional targets including Port Julia, Equis and Ranald.

OUTLOOK

Drilling capacity of seven diamond rigs focussed on:

- Infill and extensional drilling at Hillside. Resource update due mid 2012.
- Continue testing high priority regional targets. Work will include diamond and aircore drilling and soil sampling.
- Continue pre-feasibility study work with a focus on finalising mining and metallurgical studies consistent with our target of a 100,000t CuEq mine plan for Hillside.

PROJECTS

Hillside Project – Drilling Results

Drilling continued at Hillside with five drill rigs focused primarily on infill and extensional drilling. Rex received a significant number of shallow high-grade drilling results in the March 2012 quarter, which, when combined with other results returned since the latest Hillside Mineral Resource Estimate was announced in July 2011, have identified a large amount of shallow and high grade copper and gold intersections (Figure 1). These new results along with other additions to the Mineral Resource at depth will be incorporated into the upcoming Hillside Mineral Resource Estimate and the pre-feasibility study and will form part of a number of mining options for consideration.

With the benefit of these new drilling results, the pre-feasibility study can now consider;

- Shallow and higher grade mining zones accessible during the earlier years of project operation.
- New high-grade discoveries at depth to underpin Hillside's bulk mining options and lower strip ratios which could lower mining costs and extend the mine life.

The importance of these recent results will become evident when Rex the Mineral Resource Estimate (expected mid 2012) and the pre-feasibility study (expected in the third quarter of 2012) are completed.

The location of drill holes completed and results received during the March 2012 quarter are shown in Figure 2.

Hillside Project – Pre-feasibility study

Over the last quarter, the pre-feasibility study has progressed at a significant rate. A number of important pre-development tasks have been completed including geotechnical drilling, metallurgical sampling recovery and test work, ground water (hydrogeological) test work, infrastructure assessments and various environmental studies. Information from these work programs is being compiled and reviewed and will form part of the pre-feasibility study due in the September 2012 quarter.

A drilling program designed to test the geotechnical (rock strength) of the surrounding rock mass at Hillside was completed during the quarter. This work will be instrumental in determining the design of a proposed open pit and the wall angles associated with any open pit design. The results from this drilling program are now being analysed for utilisation in the mining models at Hillside.

Rex has submitted metallurgical test samples to the laboratory for assessment. These samples are designed to test the metallurgical properties of all the main mineralising structures within the Hillside orebody, as well as test the metallurgical variance at depth within each mineralised structure. As part of this test work, Rex will also be testing the metallurgical properties of the oxide and sulphide components of the mineralisation at Hillside and the metallurgical properties and recoveries of the iron ore component at Hillside. Principally, the iron ore assessment will look at magnetic separation techniques. A test work program assessing the comminution characteristics of the Hillside orebody has also commenced.

An assessment of the regional groundwater, primarily to delineate the regional groundwater footprint and to identify a potential water source for the mineral processing plant at Hillside is also underway. Rex drilled a number of boreholes to assess the hydrogeology at Hillside during the quarter.

Ongoing mining work has continued this quarter with Rex's mining consultants, Mining Plus. In conjunction with Australian Tailings Dam Consultants, Mining Plus has finalised a tailings dam design which is currently being peer reviewed. Mining Plus has also commenced initial assessments reviewing load and haulage and crush and convey options and basic financials. Over the coming quarter, a detailed assessment of each of these options will be completed utilising an optimised mining plan and schedule.

Finally, Rex has continued with a range of environmental studies this quarter. The studies, which include noise, dust, odour and traffic monitoring, are all ongoing. Rex expects these programs to be finalised in the September 2012 quarter after the completion of twelve months of continuous data collection.

The next three months will see a high level of intensity in terms of the work programs associated with the pre-feasibility study.

Pine Point Copper Belt (Yorke Peninsula, South Australia) – Regional Targets

Two diamond drill rigs were focussed on regional exploration for most of the March 2012 quarter. Eight drill holes were completed at high priority exploration targets, with drilling undertaken at the Pt Julia, Equis, and Ranald targets. A substantial proportion of the completed drilling was in locations where no previous drilling information has been completed, and the drilling completed by Rex was designed to test priority target locations and provide baseline geological information to assist with further target generation.

Port Julia

The Port Julia prospect, located 12km south of Hillside (Figure 3), is defined by a distinct magnetic and associated subtle gravity anomaly. Drill hole PJDD006 was drilled to follow-up the encouraging results obtained from PJDD005 in the December 2011 quarter, and intersected extensive "Hillside-style" alteration and brecciation. Low levels of visible sulphides were observed, with best results of 2m @ 0.1% copper and 1m @ 0.34g/t gold being returned.

PJDD007 intersected a sequence of rocks very similar to PJDD006, also with extensive alteration, brecciation, and low levels of observed sulphides. Best results returned from PJDD007 were 1m @ 0.3% copper from 413m, and 13m @ 0.2% copper from 619m (including up to 1m @ 0.6% copper).

Equis

The Equis prospect is located 3 km north-west of Hillside. Initial drilling at the Equis prospect continued during the quarter, with a further four diamond drill holes completed. Drilling tested several magnetic, gravity and induced polarisation (IP) targets

Much of this drilling has intersected encouraging geological settings beneath shallow cover. The best results from holes EQDD005 and EQDD006 have been received, with the better intersections from EQDD005 being 3m @ 0.1% copper from 214m and 2m @ 0.2% copper and 0.1g/t gold from 239m. Drilling at Equis is continuing and further results are expected in the coming quarter.

Ranald

The Ranald target area is located 12km south west of Hillside (Figure 3), and is defined by several distinct magnetic and gravity anomalies within the Pine Point Copper Belt. Diamond drilling commenced this quarter at the Ranald target area, with two drill holes completed late in the quarter.

Both holes intersected zones of favourable alteration beneath a shallow younger cover sequence of less than 25m. Further drilling and results are expected in the coming quarter.

CORPORATE

On 3 April 2012 Rex completed a A\$42 million capital raising through the placement of 35 million Rex shares at A\$1.20 to institutional and sophisticated investors from Australia and overseas. The placement is being undertaken in two tranches, with tranche one, comprising 22.6 million shares raising A\$27.1 million completed on 11 April 2012 and tranche two comprising 12.4 million shares raising A\$14.9 million to be issued following shareholder approval, which will be sought at a General Meeting on Thursday 17 May 2012.

The pro-forma cash position for Rex at 31 March 2012, assuming approval at the Rex General Meeting, is over A\$80 million with 188.9 million shares on issue.

Whilst Rex already has sufficient funds to complete both the Hillside pre-feasibility study and bankable feasibility study, the additional funds will facilitate Rex making a successful transition from an explorer to developer/miner. More specifically, the use of the additional funds will be directed towards the following;

- Order long lead time items, such as large scale mining equipment and processing equipment which are required for the development of the mine and processing plant.
- Negotiate and enter into key contracts for the commencement of construction.
- Make key organisational for the project development stage.

In addition, an adequate cash position will ensure that Rex can optimise a finance package for the development of the Hillside project. This will be particularly important once the pre-feasibility study is completed and more detail about the production plan at Hillside becomes available.

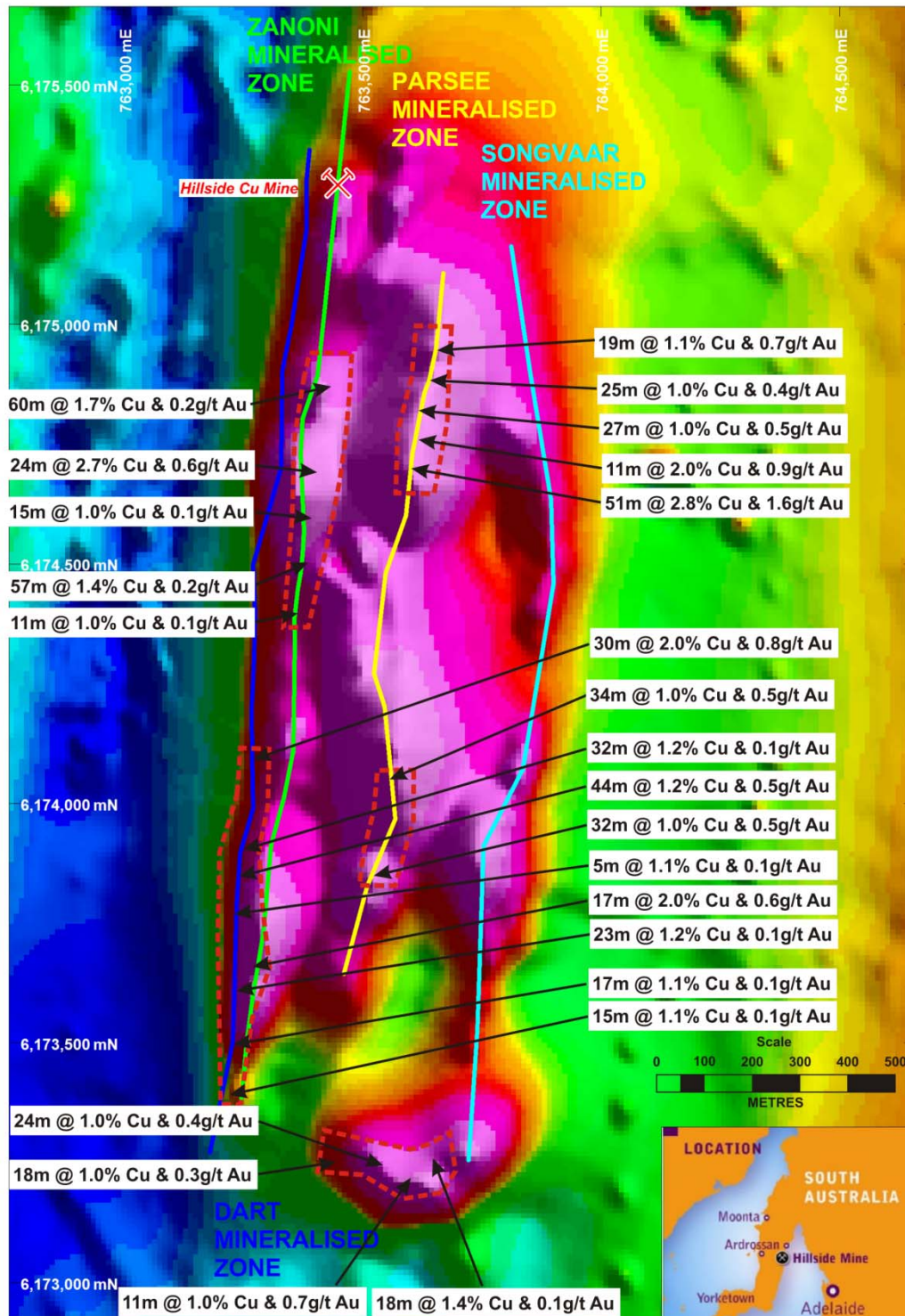


Figure 1: High grade drilling results received at Hillside located between 20m and 200m beneath the surface.

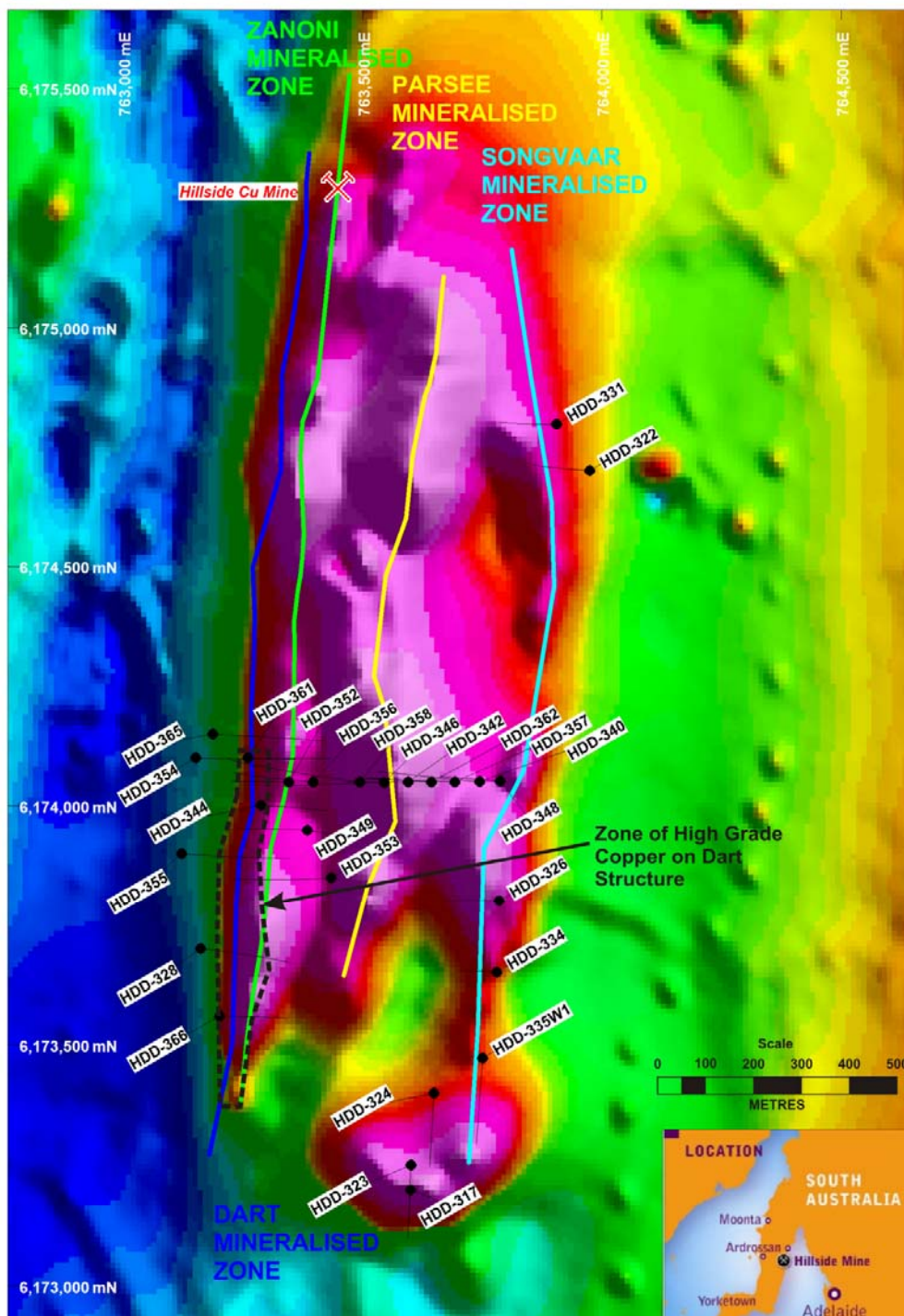


Figure 2: Magnetic map of the Hillside project, showing the location of recent drilling. Drill results detailed in Table 1.

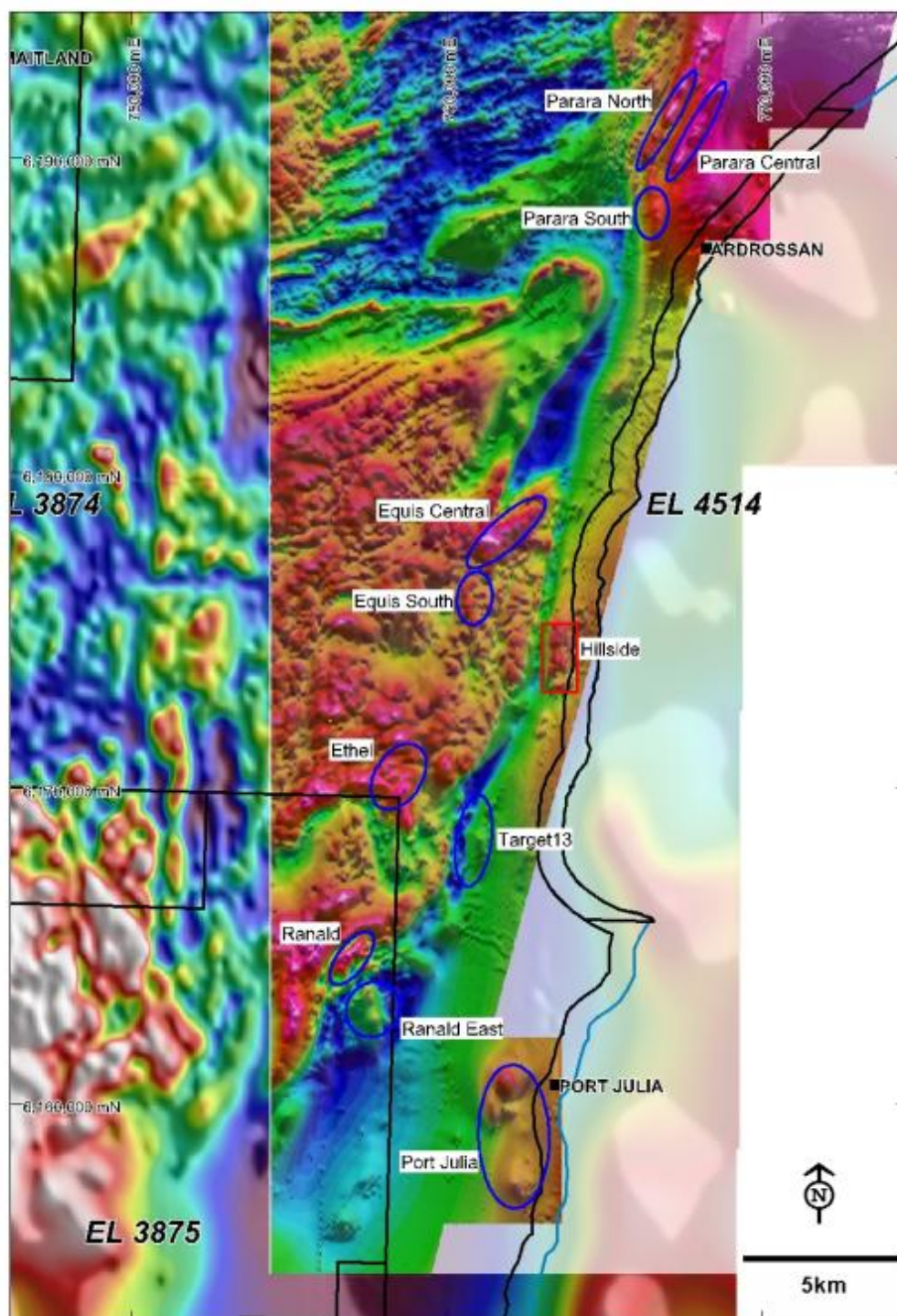


Figure 3: Magnetic image and significant regional exploration targets defined by Rex on the Yorke Peninsula, SA

ACTIVITIES PLANNED FOR NEXT QUARTER

Hillside: Rex has five diamond drill rigs currently located at the Hillside project. Rex will increase this from five to seven rigs whilst crop sowing takes place on most of the regional targets.

Some of the focus will start to divert towards the depth and northern extents of the copper mineralisation at Hillside. The copper mineralisation remains open at depth and to the north, where soil sampling, aircore drilling and some diamond drilling have all indicated that the Hillside copper mineralisation may extend beyond the limits initially defined by Rex.

Pine Point Copper Belt: Two diamond drill rigs were currently focussed on the Ranald and Ethel targets in early April. These two drill rigs will return to Hillside in the later part of April whilst crop sowing takes place. Diamond drilling will likely recommence on regional targets later in the coming quarter. A collection of regional soil samples and reconnaissance air-core drilling is also scheduled for the coming quarter.

Competent Persons Report

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 is a full time employee of Rex Minerals Ltd. 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 2004 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.

Table 1: Summarised drilling highlights from results received during the January quarter.

HOLE ID	FROM (m)	TO (m)	INTERVAL (m)	Cu (%)	Au (g/t)	Fe (%)	CuEq (%)	Structure
HDD-317	34	64	30	0.4	0.1	18	0.6	Leprena (p)
HDD-322	136	229	83	0.6	0.1	17	0.8	Songvaar (s)
including	146	156	10	1.4	0.1	21	1.6	Songvaar (s)
including	189	196	7	1.1	0.1	8	1.2	Songvaar (s)
including	201	206	5	1.6	-	34	1.9	Songvaar (s)
HDD-323	81	92	11	1	0.7	3	1.3	Leprena (p)
	109	145	36	0.6	0.2	18	0.9	Leprena (p)
HDD-324	204	227	23	0.5	0.1	19	0.8	Leprena (p)
HDD-326	8	25	17	0.3	0.1	8	0.4	Songvaar (s)
	59	76	17	0.6	0.1	23	0.9	Songvaar (s)
	84	92	7	0.5	-	21	0.7	Songvaar (p)
	134	152	18	0.5	0.2	10	0.7	Songvaar (p)
	165	227	62	0.5	0.2	18	0.8	Songvaar (p)
including	174	186	12	1	0.3	27	1.4	Songvaar (p)
HDD-328	228	237	9	0.5	-	11	0.6	Dart (p)
	250	266	16	0.9	0.5	29	1.4	Dart (p)
including	259	266	7	1.1	0.9	23	1.7	Dart (p)
HDD-331	70	116	46	0.6	0.3	21	1.0	Songvaar (s)
	138	150	12	0.4	0.4	30	0.9	Songvaar (s)
HDD-334	35	53	18	0.8	0.1	13	1.0	Songvaar (s)
HDD-335W1	276	296	20	0.7	0.3	21	1.1	Leprena (p)
including	284	290	6	1.2	0.4	24	1.6	Leprena (p)
HDD-340	298	314	16	0.8	0.4	18	1.2	Parsee (p)
including	306	309	3	3	1.4	27	3.8	Parsee (p)
	347	359	12	0.8	0.5	19	1.2	Parsee (p)
including	350	357	7	1.1	0.6	18	1.5	Parsee (p)

	389	396	7	0.9	0.2	19	1.2	Parsee (p)
HDD-342	24	44	20	0.4	0.1	26	0.8	Parsee (s)
	53	87	34	1	0.5	22	1.4	Parsee (p)
<i>including</i>	72	80	8	2.1	1.3	23	2.8	<i>Parsee (p)</i>
HDD-344	13	33	20	0.7	0.1	14	0.9	Dart (s)
HDD-346	276	316	40	1	0.2	14	1.2	Zanoni (p)
<i>including</i>	277	280	3	8.8	1.2	30	9.2	<i>Zanoni (p)</i>
	372	429	57	1.8	0.4	20	2.1	Zanoni (p)
<i>including</i>	372	381	9	4.3	0.8	33	4.8	<i>Zanoni (p)</i>
<i>including</i>	418	429	11	4.6	1.4	25	5.2	<i>Zanoni (p)</i>
HDD-348	29	68	39	0.5	0.1	9	0.6	Songvaar (s)
<i>including</i>	59	67	8	1	0.5	24	1.5	<i>Songvaar (s)</i>
HDD-349	214	226	12	0.8	0.1	8	0.9	Dart (p)
HDD-352	98	111	13	0.6	0.1	16	0.8	Dart (p)
	196	199	3	2.9	0.2	13	3.0	Dart (p)
HDD-353	244	248	4	1	0.3	31	1.5	Dart (p)
	324	348	24	0.9	0.1	12	1.0	Dart (p)
<i>including</i>	330	340	10	1.4	0.1	12	1.5	<i>Dart (p)</i>
HDD-354	351	360	9	0.7	0.1	8	0.8	Dart (p)
	379	411	32	1	0.1	16	1.2	Dart/Zanoni (p)
<i>including</i>	380	386	6	3.1	0.5	22	3.4	<i>Dart/Zanoni (p)</i>
	436	458	22	1	0.2	17	1.2	Zanoni (p)
	487	495	8	0.8	0.1	34	1.2	Zanoni (p)
HDD-355	285	290	5	1	0.1	10	1.1	Dart (p)
	332	340	8	0.6	0.1	14	0.8	Dart (p)
	396	407	11	1.5	0.5	16	1.8	Dart (p)
HDD-356	165	174	9	0.5	0.3	30	1.0	Dart (p)
	184	190	6	1.7	0.2	17	1.9	Dart (p)

HDD-357	224	283	59	0.9	0.4	19	1.3	Parsee (p)
<i>including</i>	241	262	21	1.4	0.8	19	1.9	<i>Parsee (p)</i>
<i>including</i>	274	283	9	1.3	0.5	21	1.7	<i>Parsee (p)</i>
HDD-358	261	266	5	1.3	0.2	17	1.5	Zanoni (p)
	382	389	7	1.2	0.2	8	1.3	Dart (p)
HDD-361	68	99	31	2	0.8	21	2.5	Dart (p)
<i>including</i>	80	88	8	5.1	2.9	22	6.3	<i>Dart (p)</i>
	257	262	5	1	0.1	16	1.2	Dart (p)
HDD-362	114	218	104	0.8	0.4	21	1.2	Parsee (p)
<i>including</i>	114	136	22	1.2	0.9	19	1.8	<i>Parsee (p)</i>
<i>including</i>	179	218	39	1	0.3	23	0.0	<i>Parsee (p)</i>
HDD-365	182	191	9	0.7	0.3	17	1.0	Dart (p)
	330	341	11	1.5	0.5	20	1.9	Zanoni (p)
	391	409	18	3.7	0.3	24	3.9	Zanoni (p)
<i>including</i>	395	399	4	12.9	0.6	28	12.7	<i>Zanoni (p)</i>
HDD-366	41	144	103	0.3	-	15	0.5	Dart (p)
<i>including</i>	139	144	5	1	0.1	16	1.2	<i>Dart (p)</i>

(p) = Primary Mineralisation (s) = Supergene Mineralisation

* All intercepts reported are down hole unless otherwise specified

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

REX MINERALS LTD

ABN

12 124 960 523

Quarter ended ("current quarter")

31 March 2012

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (9 months) \$A'000
1.1	Receipts from product sales and related debtors		
1.2	Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(10,730)	(32,579)
1.3	Dividends received	(780)	(2,709)
1.4	Interest and other items of a similar nature received	646	2,959
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other (provide details if material)		
	Net Operating Cash Flows	(10,864)	(32,329)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	(3,161)	(4,401)
1.9	Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets	-	14
1.10	Loans to other entities		
1.11	Loans repaid by other entities		
1.12	Other (provide details if material)		
	Net investing cash flows	(3,161)	(4,387)
1.13	Total operating and investing cash flows (carried forward)	(14,025)	(36,716)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(14,025)	(36,716)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(14,025)	(36,716)
1.20	Cash at beginning of quarter/year to date	56,393	79,084
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	42,368	42,368

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	239
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Financing facilities available

Add notes as necessary for an understanding of the position.

Amount available \$A'000	Amount used \$A'000
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+ See chapter 19 for defined terms.

3.1	Loan facilities		
3.2	Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation including Pre-Feasibility studies	16,425
4.2 Development	
4.3 Production	
4.4 Administration including Pre Feasibility studies	752
Total	17,177

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	42,368	56,393
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other (Term Deposits)	-	-
Total: cash at end of quarter (item 1.22)	42,368	56,393

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities <i>(description)</i>				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	+Ordinary securities	153,847,284	153,847,284		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	211,765	211,765	\$1.564	\$1.564
7.5	+Convertible debt securities <i>(description)</i>				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>(description and conversion factor)</i>	561,000 240,000 60,000 1,560,000	- - - -	<i>Exercise price</i> \$1.222 \$2.052 \$0.552 \$3.00	<i>Expiry date</i> 24/5/2013 31/10/2012 31/5/2012 30/4/2014
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>				


+ See chapter 19 for defined terms.

7.12	Unsecured notes (<i>totals only</i>)		
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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act [or other standards acceptable to ASX \(see note 5\)](#).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:


(Company secretary)

Date: 26 April 2012

Print name: Amber Rivamonte

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 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.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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