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## Chairman's Address – 2022

Welcome to our 2022 AGM.

We expected that all of our Directors would be here today. Regrettably, our Chairman Ian Smith is unable to be here today, due to illness. I am chairing this meeting in his place. Andrew Seaton, one of our Non-Executive Directors, is also absent due to a recent unfortunate accident.

While it's been a volatile and challenging year, we have made significant progress to ensure Rex Minerals is better positioned than it was a year ago to realise the underlying value of the Company's assets.

We have been focused on finalising an updated and optimised Feasibility Study, in conjunction with a Definitive Phase Engineering Study, including Scope Update, Cost Update and Execution plans. We are finalising these and expect to share the outcomes in the coming weeks. Our CEO Richard Laufmann will speak / add some colour to this following the formal business of the meeting.

**Our safety record** remains exemplary, with zero reportable incidents.

Our **Hillside Copper-Gold Project**, in South Australia, is now the third largest Copper Ore Reserve in Australia, at nearly one million tonnes of copper, with nearly double that amount of copper in Mineral Resource.

Hillside has been identified by Goldman Sachs (September 2022) as one of the most valuable high-quality copper growth assets from the top 50 potential projects globally, and it is one of only a handful of these in a genuinely low-risk jurisdiction.

Hillside is located on the Yorke Peninsula, just two hours by road from Adelaide (location, location, location). All major permits are in place, and the Project has a projected mine life in excess of 20 years.

As we move towards Financial Investment Decision (FID) approval and Operational Readiness, in relation to development at Hillside, we continue to add capability to our executive, operational team and engage with specialist service providers.

### **Copper and Energy - The Global Reality**

The general thematic around electrification and its prime enabler – copper – continues to gather momentum. We are unlikely to witness any significant supply-side response to this challenge – in our opinion the days of US\$3 copper are drawing to a close.

The other side of this coin is the emerging global macro-environment. Specifically, out-of-control power costs in Europe, and ongoing Covid-related shutdowns and their knock-on effects in China, to point to but a few, have inflicted serious supply chain risks and fuelled cost inflation across the globe. The strong US dollar has also brought temporary pain. Against this landscape, Australia has not been spared, with significant inflation already factored in, and the labour markets have remained tight.

Collectively, these macro-overlays have resulted in the vast bulk of capital projects seeing serious shorter-term equipment and construction cost increases, with amplified operating cost inflation.

To combat these headwinds, we have reconfigured and re-engineered the Hillside development, electing to design-in future expansion, future environmental improvements, and further leverage economies of scale to help future-proof this important, long-life asset.

In a relatively short time, and in a difficult inflationary environment, our Team has reached the final stage of optimising the physical, cost and value proposition for the Hillside Project. Subject to funding the FID is expected to be completed within the next month. The Project remains a compelling development opportunity.

Our Owners' Team is continuing to grow. Our partnering relationships and regional contractors will, as always, be integral to our success. Post the formal part of this meeting, Richard, our CEO, will talk more about positive and important progress of the Hillside Project.

Our **Hog Ranch Gold Property** in Nevada USA, arguably the best gold province in the world, is already a 2.2-million-ounce Mineral Resource, with truly exciting exploration opportunities.

Hog Ranch continues to deliver successful exploration outcomes, as reported during the year. After several years of baseline work, a Plan of Operations has been submitted to the relevant state authorities.

We will continue to consider options to unlock project value.

**To summarise**, Rex is well positioned for the future.

We own – 100 per cent – a globally significant, high-quality copper development asset in Australia. And to quote the global research and consultancy group Wood Mackenzie: “The energy transition starts and ends with metals.” And copper, it says: “sits at the nexus of the energy transition.” Further: “achieving global net zero is inexorably linked to base metals supply.”

Moreover, Hog Ranch, in Nevada, also 100 per cent owned by Rex, can in itself be a company-defining opportunity for Rex, at a time when gold's future is enhanced as inflation manifests across the globe.

Our commitment to sustainable development continues unabated and we will continue to add new policy and actions that reflect our ambition and progress towards a greener, cleaner, more inclusive and equitable global future – one that we all envisage.

While the short-term outlook is complex and likely to remain so, we believe our assets and people reflect the correct mix and talents to navigate this environment and emerge successful.

In conclusion, I wish to thank you, our shareholders, for supporting and investing in the future of Rex Minerals. Our Board and Management acknowledge that our success, as a Company, will be made possible through the ongoing support of all our stakeholders.

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

For more information about the Company and its projects, please visit our website <https://www.rexminerals.com.au/> or contact:

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