



ABN 12 124 960 523

ASX and Media Release: 7 June 2018

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EQUITY RAISING INVESTOR PRESENTATION

Further to Rex Minerals Ltd entering into a trading halt on 6 June 2018, the Company is pleased to provide an updated capital raising investor presentation.

Rex Minerals will host an investor market call today, Thursday, 7 June 2018, at 11:30am. If anyone would like to dial in and listen to the Company's CEO Richard Laufmann provide an update, please use the following conference call details:

Call Details

Date: Thursday 7 June 2018
Time: 11.30am AEST
Duration: 30 minutes

Participant Main Conference

Dial: **1800 896 323** or international: **+61 2 8088 0900**
Passcode: **89564903**

Participants will be asked to state their name upon entry. They can press *1 when prompted to ask a question during Q&A.

For more information about Rex and its projects, please visit our website 'www.rexminerals.com.au' or contact:

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EQUITY RAISING INVESTOR PRESENTATION

7 JUNE 2018

RICHARD LAUFMANN

Managing Director & Chief Executive Officer



DISCLAIMER



IMPORTANT INFORMATION

This presentation has been prepared by the management of Rex Minerals Limited (Rex or the Company) in connection with meetings with investors and potential investors and not as specific advice to any particular party or person. The information is based on publicly available information, internally developed data and other sources. Where any opinion is expressed in this presentation, it is based on the assumptions and limitations mentioned herein and is an expression of present opinion only.

This presentation does not constitute or form part of any offer or invitation to sell, or any solicitation of any offer to purchase any shares in the Company, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract or commitment or investment decisions relating thereto, nor does it constitute a recommendation regarding the shares of the Company. Past performance cannot be relied upon as a guide to future performance.

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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, copper 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".



DISCLAIMER



The Presentation contains general background information about the Company and its activities current as at the date of this presentation. 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 and other publicly available information on the Company available at www.rexminerals.com.au.

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

NOT AN OFFER DOCUMENT

This presentation is not a prospectus, product disclosure statement or other offering document under Australian law (and will not be lodged with the Australian Securities and Investments Commission (ASIC)) or any other law. This presentation is for information purposes only and is not an invitation or offer of securities for subscription, purchase or sale in any jurisdiction. This presentation may not be released or distributed in the United States. This presentation does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or any other jurisdiction in which such an offer would be illegal. The Placement shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the U.S. Securities Act) or the securities laws of any state or other jurisdiction of the United States. Accordingly the Placement shares may not be offered or sold, directly or indirectly, in the United States, unless they have been registered under the U.S. Securities Act (which the Company has no obligation to do or procure), or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable United States state securities laws.

The Placement shares referred to in this investor presentation are only available in Australia to certain persons who are professional investors or wholesale clients or other persons specified in section 708 of the Corporations Act to whom a disclosure document is not required to be given under Chapter 6D of the Corporations Act, and those persons in other eligible jurisdictions. Determination of eligibility of investors for the purposes of the Placement is determined by reference to a number of matters, including legal requirements and the discretion of the Company. The Company disclaims any liability in respect of the exercise or otherwise of that discretion, to the maximum extent permitted by law.

CORPORATE STRUCTURE & OWNERSHIP

ASX CODE: RXM



| Capital Structure | |
|------------------------|---------|
| Cash at 31 March 2018 | \$1.6M |
| Debt | NIL |
| Shares | 220.5M |
| Options (unquoted) | 16.8M |
| Market Capitalisation* | \$37.5M |

| Major Shareholders | |
|--------------------------|-------|
| Grand South Development | 5.91% |
| Directors and Management | 5.36% |
| Greenstone Property | 2.71% |

| Board |
|---|
| David Carland Non-Executive Chairman |
| Richard Laufmann Chief Executive Officer & Managing Director |
| Alister Maitland Non-Executive Director |
| Mitch Hooke AM Non-Executive Director |



* AS AT MARKET CLOSE 6 JUNE 2018

WHY COPPER (Cu)?

The Umbilical Cord of Human Progress is Energy

ENERGY

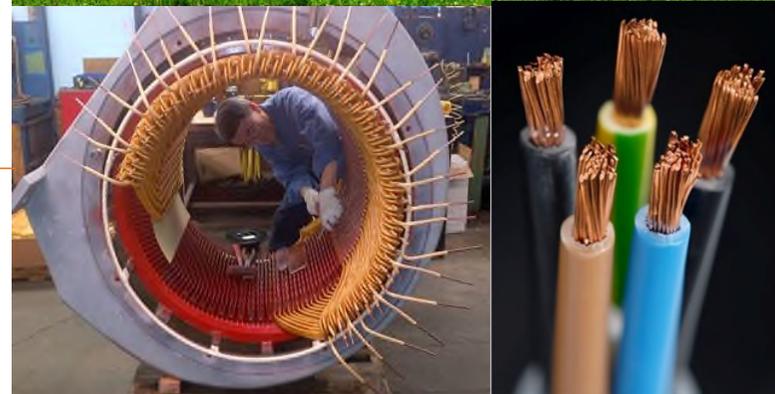
- > Generated (Coal, Nuclear, Oil/Gas, Hydro, Wind/Solar etc.)
- > Transferred (Pipeline, Ship, Rail, Truck) or Electrically
- > Utilised (Oil/Gas Vehicles, Heating etc.) or Electrically

DEMAND

- > Global Energy Generation MUST increase
 - > 5,600 GW »» 14,000 GW by 2040
 - > Developed world consumes +10kg per capita of Cu
 - > Undeveloped world consumes 0.2 – 0.4kg per capita of Cu
- > The Greener & Cleaner, the more Copper utilised – Fact
 - > Electric vehicles (EV) tech can satisfy 99% of all US daily commuter needs
- > Demand will require a mine the size of **Escondida** developed each year for the next 10 years

SUPPLY

- > Copper mine project pipeline has halved
- > Exploration has been unsuccessful – discovery cost is rising all the time
- > Grade decline is a geological fact
- > Political & Social Risk is increasing globally, affecting Exploration, Permitting and Development



AN INVESTMENT IN REX

An Investment in Copper with Significant Upside

HILLSIDE – OUR CORE ASSET

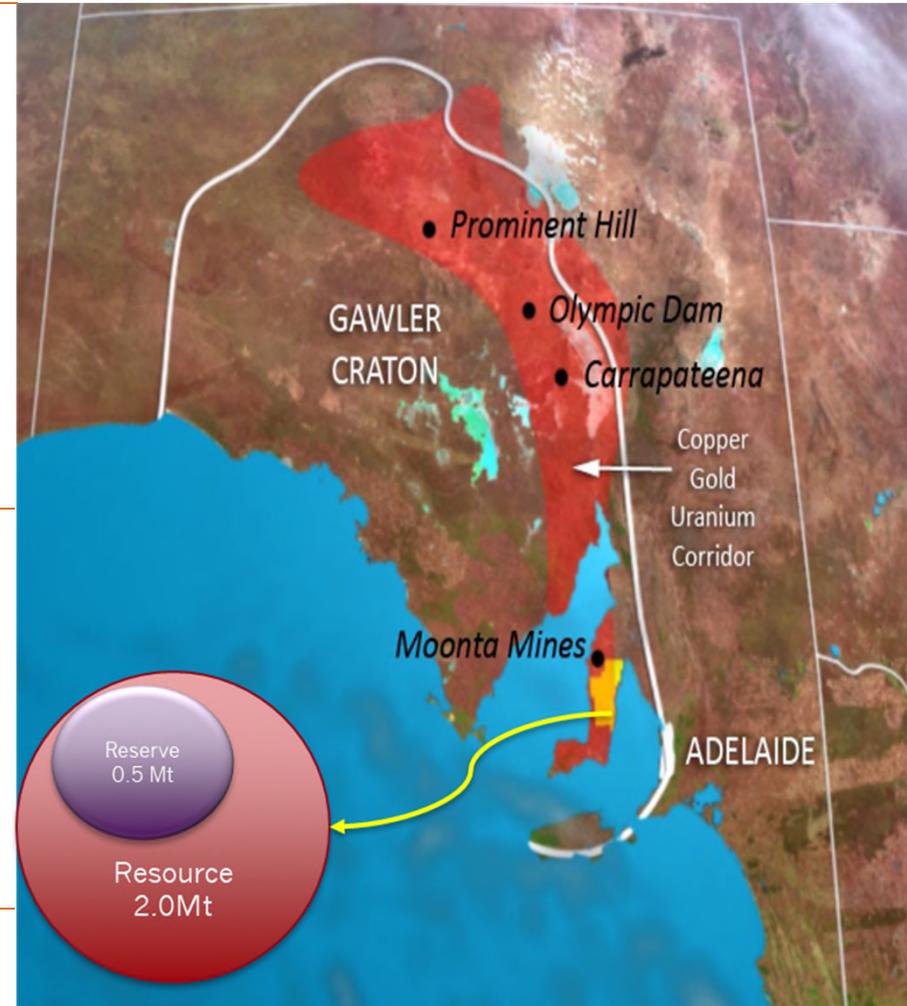
- > Australia's largest undeveloped Open Pit Copper Resource
- > Stage 1 - 13 year Ore Reserve underpinned by 20+ year Resource
- > Shovel Ready
 - > Mining Lease approved
 - > PEPR submitted Feb 2018
- > Low Capital Intensity (1st Quartile Globally)
- > South Australia a major advantage
 - > Access to Power/Water/Road/Port
 - > Workforce recruitment/housing local

HILLSIDE MINE UPSIDE - NEXT STEPS

- > EFS Financial Update - 2018
- > Chinese Feasibility Study (Objectives)
 - > Reduce Capital Cost
 - > Pursue Chinese Debt Options
- > JV/Investment Options
- > Stage 1 In-Pit High Grade targets
- > Stage 2 (years 13-26) Growth Option – Double Reserve

REX EXPLORATION

- > Hunting Giant Copper, Gawler Craton – perfect address
- > Highly attractive new 5-10Mt IOCG targets identified



HILLSIDE – CORE ASSET

Australia's Largest Undeveloped Open Pit Copper Mineral Resource



COPPER-GOLD OPERATION Stage 1 (years 1-13)

- > Shallow orebody – open pit startup
- > Initial free dig, 30-100m
- > Mine average head grade 0.62% Cu, 0.16g/t Au
- > Conventional Copper flotation producing:
 - > 27% copper concentrate with no arsenic

AVERAGE OUTPUT

- > Payable copper (Cu) c.35,000+tpa
- > Payable gold (Au) c.24,000+ozpa

EFS HEADLINE NUMBERS (BASE CASE)

- > Low CapEx start-up (US\$360M)
- > Low capital intensity (~US\$10,300/annual Cu tonne of production)
- > C1 cash cost US\$1.61/lb
- > All in Cash Cost US\$1.88/lb

HILLSIDE MINERAL RESOURCE

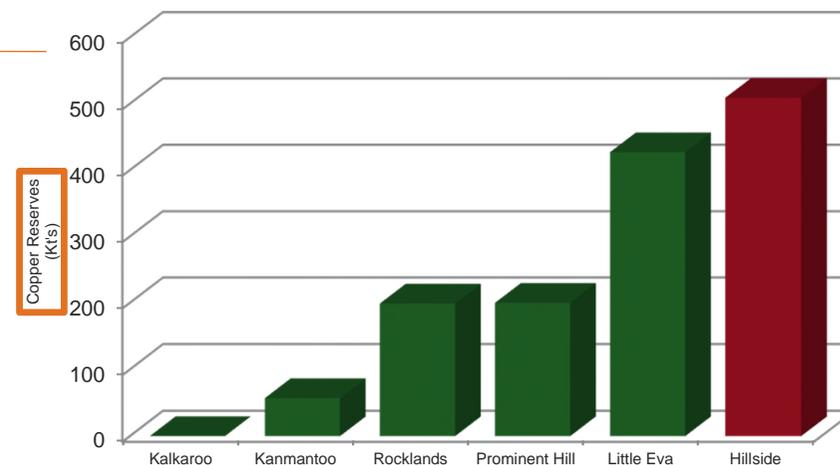


2Mt Copper



1.4Moz Gold

Hillside Ore Reserve
vs other Australian
Copper Open Pit Ore Reserves



REX MINERALS VALUE PROPOSITION

What has changed since discovery in terms of value?

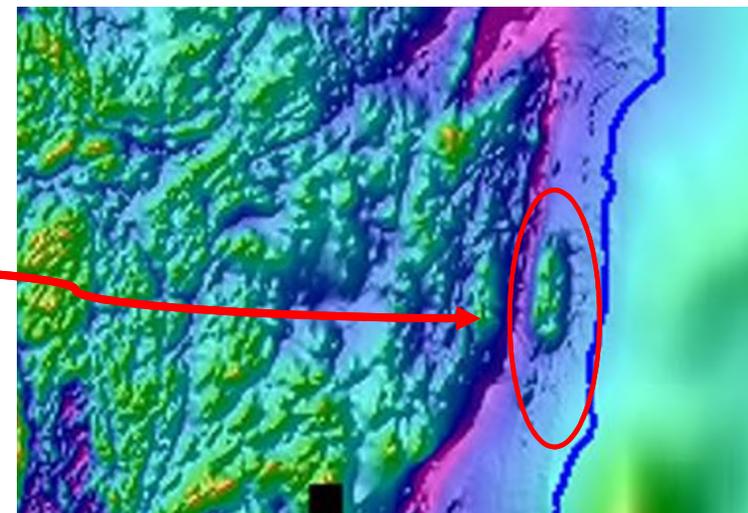
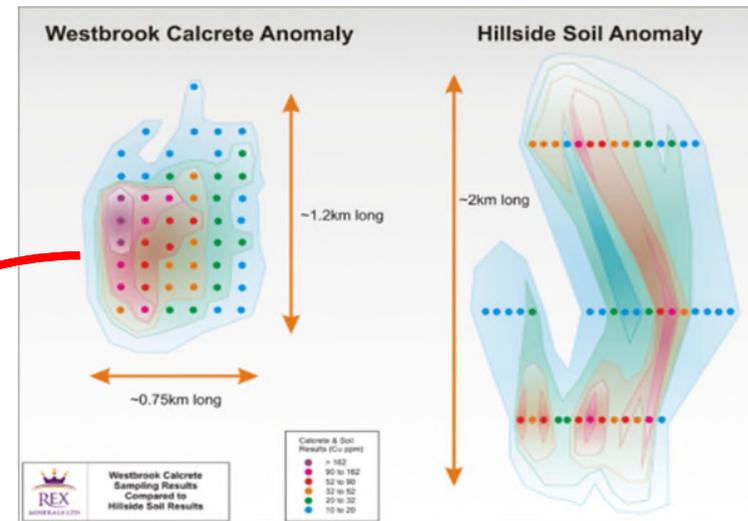
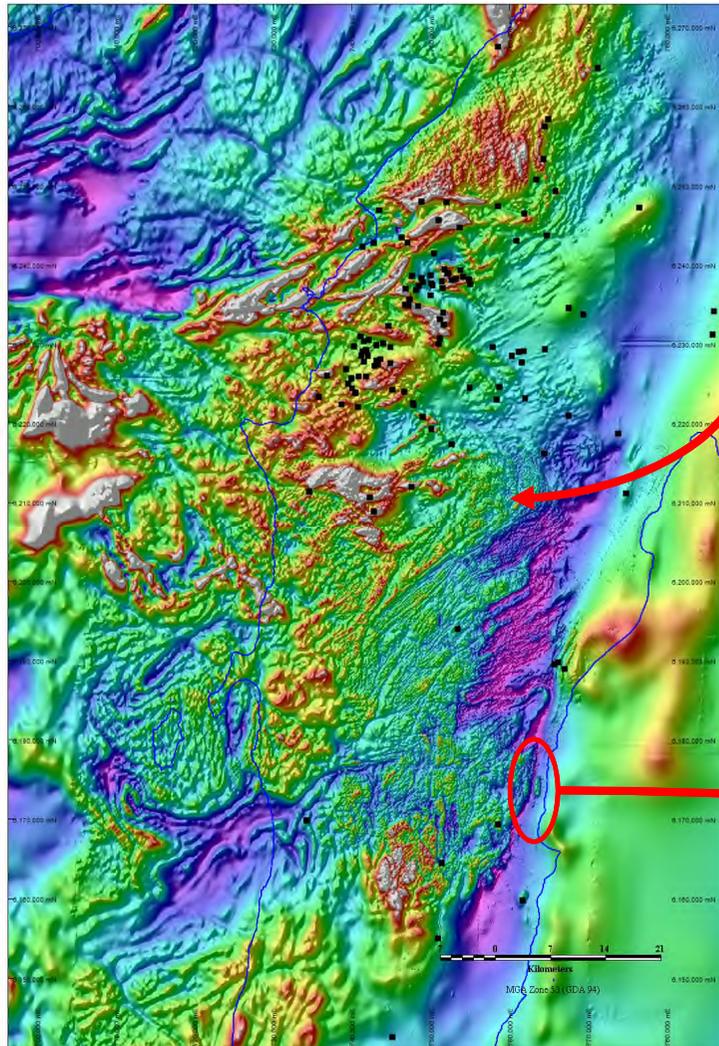


| Criteria | REX Today | Comment |
|---|-------------------------|--|
| Market value based on share price | A\$36.4M | Previously as high as \$300M. Strengthening Cu prices improving feasibility of the project |
| Mineral Resource size (JORC) | 2Mt Cu 1.4Moz Au | Fe no longer in plan, stored in TSF |
| Value of Resource in the ground (MI&I) | Less than \$US 0.008/lb | Copper Producers valued at average of \$US0.13/lb, ranging 0.07lb – 0.40/lb |
| Post Tax NPV_{8%} (Base Case) | A\$188M | A\$254M (today's price) every US\$0.10/lb in Cu Price = +A\$49M NPV |
| IRR | 14% | 15.8% (today's price) every US\$0.10/lb in Cu Price = +1.5% IRR |
| EBITDA | A\$123M/yr | A\$133M (today's price) every US\$0.10/lb in Cu Price = +A\$10M EBITDA |

(BASE CASE) REFER TO NOTES IN APPENDIX

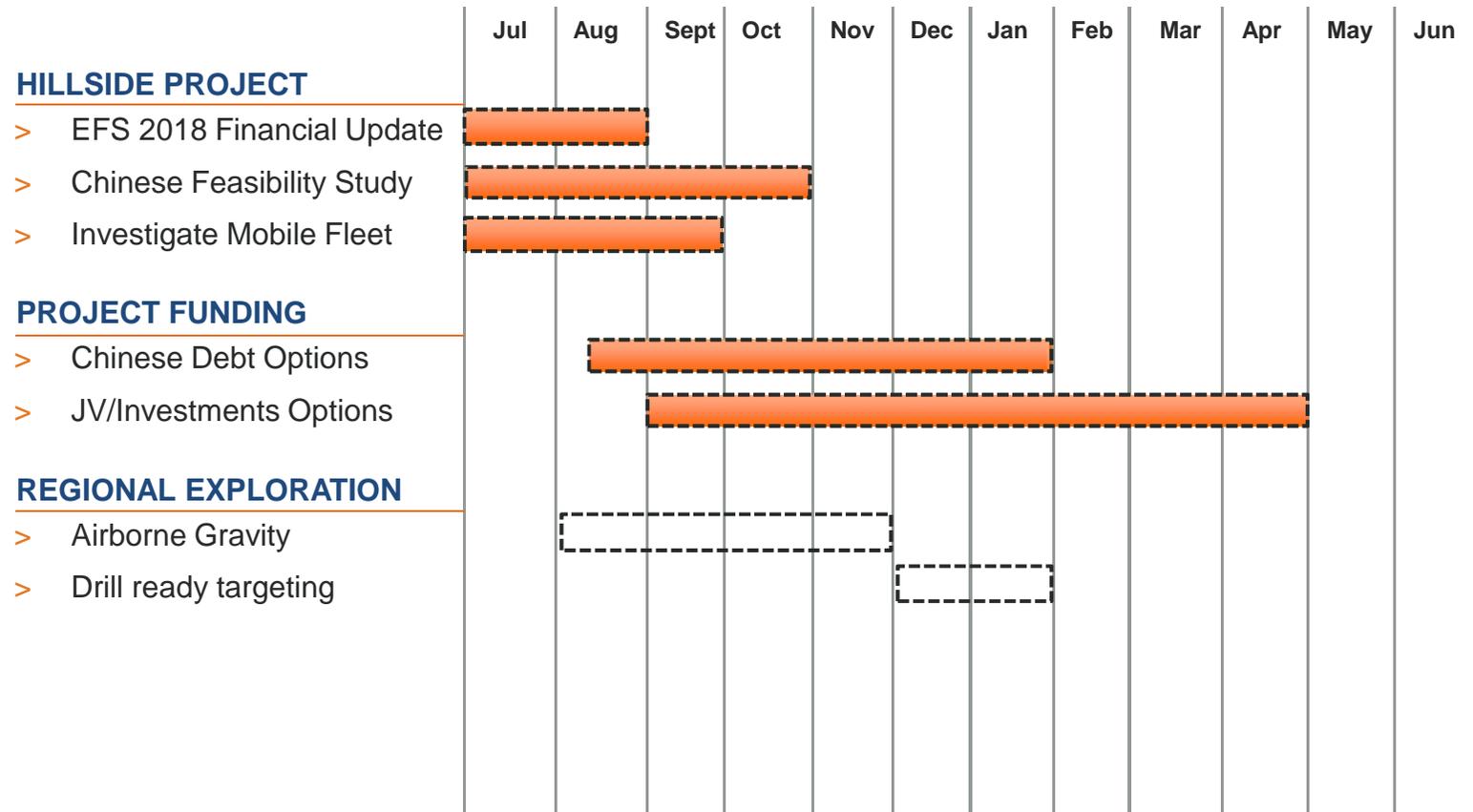
HUNTING GIANT COPPER

Historical Exploration vs Hillside – It wasn't supposed to be there



ADDING VALUE

Next Steps – 2018→2019



CAPITAL RAISING

Overview



| | |
|-----------------------------------|--|
| Offer Structure & Size | <ul style="list-style-type: none"> > Placement followed by a SPP to raise approximately A\$5.0 million. Placement using Company's 15% capacity under ASX LR 7.1. Shareholder approval will be required for any funds raised over the 15% placement capacity. |
| Share Purchase Plan (SPP) | <ul style="list-style-type: none"> > In addition to the Placement, Rex Minerals will offer eligible shareholders the right to participate in a SPP that will enable shareholders to apply for up to \$15,000 of shares at the same price as the Placement and subject to shareholder approval. The Company will reserve the right to scale back applications under the SPP. |
| Offer Pricing | <ul style="list-style-type: none"> > Offer price A\$0.11 per New Share represents a: <ul style="list-style-type: none"> > 35.3% discount to the last closing price of A\$0.17; > 34.3% discount to the 5 day VWAP of A\$0.1674; and > 33.8% discount to the 1 month VWAP of A\$0.1663. |
| Ranking | <ul style="list-style-type: none"> > Pari passu with existing full paid ordinary shares on issue. |
| Use of Proceeds | <ul style="list-style-type: none"> > Proceeds from the Offer will be used to further de-risk the Project, whilst seeking to enhance the investment value of Rex. This will include: <ul style="list-style-type: none"> > updating the EFS capital estimate to 2018 dollars; and > commissioning a Chinese Feasibility Study with the objective of reducing the capital cost. > The balance will be corporate and administration working capital, including finalising the responses to the regulator on the PEPR. |
| Lead Manager | <ul style="list-style-type: none"> > Baillieu Holst Ltd |
| Co-Manager | <ul style="list-style-type: none"> > Arlington Group Asset Management Ltd (UK) |

CAPITAL RAISING

Indicative Capital Raising Timetable



| | |
|---|------------------------|
| Rex Minerals trading halt (Trading Halt) | Wednesday, 6 June 2018 |
| Record date for Share Purchase Plan (SPP) | Friday, 8 June 2018 |
| Transaction announced and Rex Minerals resumes trading on ASX | Tuesday, 12 June 2018 |
| Settlement of Placement | Friday, 15 June 2018 |
| SPP key dates | Dates to be advised |



CAPITAL RAISING

Sources & Uses of Funds



| Sources of Funds | A\$M |
|----------------------|------------|
| Capital Raising | 5.0 |
| Total Sources | 5.0 |

| Uses of Funds | A\$M |
|---|------------|
| Hillside Project - EFS updates, CFS, & Site Costs | 2.4 |
| Hillside Project - Funding Options | 0.3 |
| Working Capital – Corporate & Administration | 2.3 |
| Total Uses | 5.0 |

Note: The information above is indicative only and is subject to a range of risks, uncertainties and factors as set out in the disclaimers and appendices of this presentation. If the Company is unable to secure the total funds stated above, it may be required to reduce the scope or suspend proposed work programs outlined in the Uses of Funds table.

SUMMARY

An Investment in Copper with Significant Upside



HILLSIDE – OUR CORE ASSET

- > Mineral Resource – 2Mt Cu, 1.4Moz Au
- > Stage 1 Ore Reserve – 0.5Mt Cu
- > Low Capital Intensity
- > Shovel Ready

ADD VALUE - HILLSIDE NEXT STEPS

- > EFS Financial 2018 Update
- > Chinese Feasibility Study (Objectives)
 - > Reduce Capital Cost
 - > Investigate MCC Mobile Fleet Offer
 - > Pursue Chinese Debt Options
- > JV/Investment Options
- > Stage 1 In-Pit High Grade targets
 - > Reduce Strip Ratio
 - > Increase Metal and NPV



FUTURE VALUE – 25+ YEARS

- > Regional exploration – airborne Gravity Survey
- > Pit Stage 2, Year 13-26 (double Ore Reserve)
- > U/G Extension
- > Pumped Hydro facility post mining



STAY IN TOUCH



GENERAL

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INVESTOR RELATIONS AND MEDIA ENQUIRY

Gavan Collery

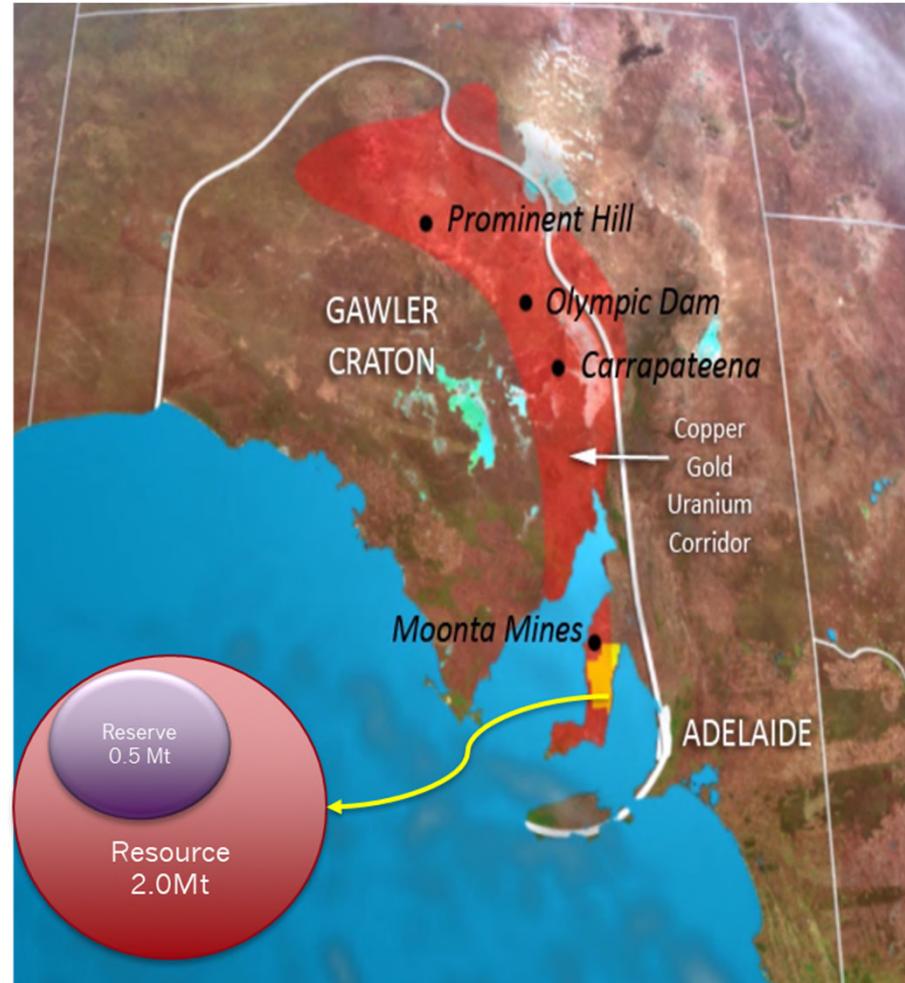
- M** +61 (0) 419 372 210
- E** gcollery@rexminerals.com.au

APPENDICES



Appendix A: Supplementary Information

Appendix B: Key Risks & Jurisdiction Restrictions





APPENDIX A – SUPPLEMENTARY INFORMATION

Notes



COMPETENT PERSONS' REPORT – ORE RESERVES

The information in this report that relates to Ore Reserves is based on information compiled by Mr Charles McHugh who is a Fellow of the Australasian Institute of Mining and Metallurgy and is an employee of Rex Minerals Ltd. Mr McHugh has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr McHugh consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

COMPETENT PERSONS' REPORT – MINERAL RESOURCES

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 an 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Say consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

FORWARD-LOOKING STATEMENTS

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APPENDIX – SUPPLEMENTARY INFORMATION

Notes



BASE CASE ASSUMPTIONS

Price and exchange rate assumptions for the life of the operation are shown below. Quotes for the pre-production capital cost estimates in the EFS assumed an exchange rate of AUD:USD \$0.75. A longer-term exchange rate assumption of \$0.70 was used for the life of the operation.

Unless otherwise stated, all dollar amounts given are in Australian dollars and are not subject to inflation/escalation factors.

| Commodity and Exchange Rate | Assumptions |
|-----------------------------|--------------|
| Copper (US\$ real) | US\$3.00/lb |
| Gold (US\$ real) | US\$1,250/oz |
| Exchange Rate (AUD:USD) | \$0.70 |

HILLSIDE PROJECT

Updated Ore Reserve



RESOURCE → RESERVE CONVERSION

- > 2Mt contained copper classified as a Mineral Resource
- > Approx. 25% in Proved and Probable Reserves

HILLSIDE ORE RESERVE SUMMARY – MAY 2015

| Reserve Category | Tonnes (Mt) | Grade Copper (%) | Grade Gold (g/t) | Contained Metal Copper (t) | Contained Metal Gold (oz) |
|------------------|-------------|------------------|------------------|----------------------------|---------------------------|
| Proved | 42 | 0.55 | 0.19 | 228,049 | 250,454 |
| Probable | 40 | 0.70 | 0.14 | 281,213 | 181,051 |
| Total | 82 | 0.62 | 0.16 | 509,262 | 431,504 |

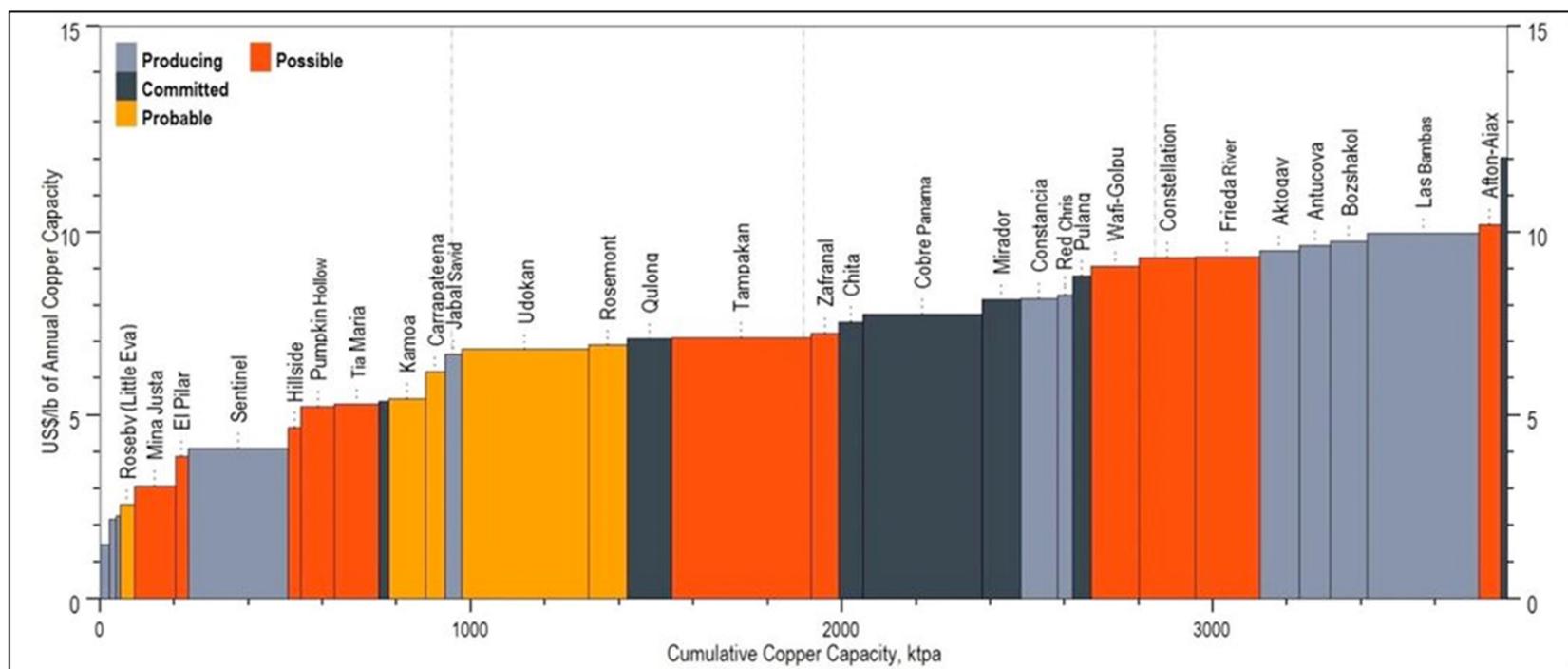


HILLSIDE PROJECT

EFS Summary Stage 1 (years 1 – 13)



| Copper (US\$ real) | \$3.00/lb | \$3.25/lb | \$3.50/lb | \$4.00/lb |
|--------------------------------|-----------|-----------|-----------|-----------|
| Internal Rate of Return (IRR) | 14% | 17.5% | 21.0% | 27.4% |
| Post-tax NPV _{8%} \$A | \$188M | \$313M | \$435M | \$676M |
| EBITDA (annual average) \$A | \$123M | \$147M | \$171M | \$220M |



An analysis of new copper mining capacity commissioned since the beginning of 2015, and extending out to around 2022 for committed, probable and possible projects. Median capital intensity is US\$7.15/lb (US\$15,750/t) of annual copper capacity.

HILLSIDE PROJECT

EFS Summary Stage 1 (years 1 – 13)



| Operating Costs | |
|---|---------------------------|
| Strip ratio (after pre-strip) | 6:7:1 |
| Average mining cost per tonne | A\$2.24/t |
| Average mining cost per ore tonne (LOM after pre-strip) | A\$17.75/t |
| Processing cost per tonne | A\$9.15/t |
| Other operating (G&A) costs per tonne | A\$1.92/t |
| Average transport costs per ore tonne | A\$2.07/t |
| Treatment and refining costs per ore tonne | A\$4.34/t |
| By-product credit per tonne | A\$(6.52)/t |
| Average total operating costs per ore tonne | A\$28.71/t |
| C1 cash cost | US\$1.61/lb |
| All in costs | US\$1.88/lb |
| Pre-Production Capital | |
| Construction (plant, equipment, TSF) | A\$206M |
| Mining fleet | A\$66M |
| Pre-strip | A\$80M |
| Other infrastructure and utilities | A\$21M |
| Surface works, spares, other | A\$67M |
| Sub-total | A\$440M |
| Contingency | A\$40M |
| Total up-front capital | A\$480M (US\$360M) |



HILLSIDE PROJECT – EFS UPSIDE

Stage 1 – In-Pit Targets

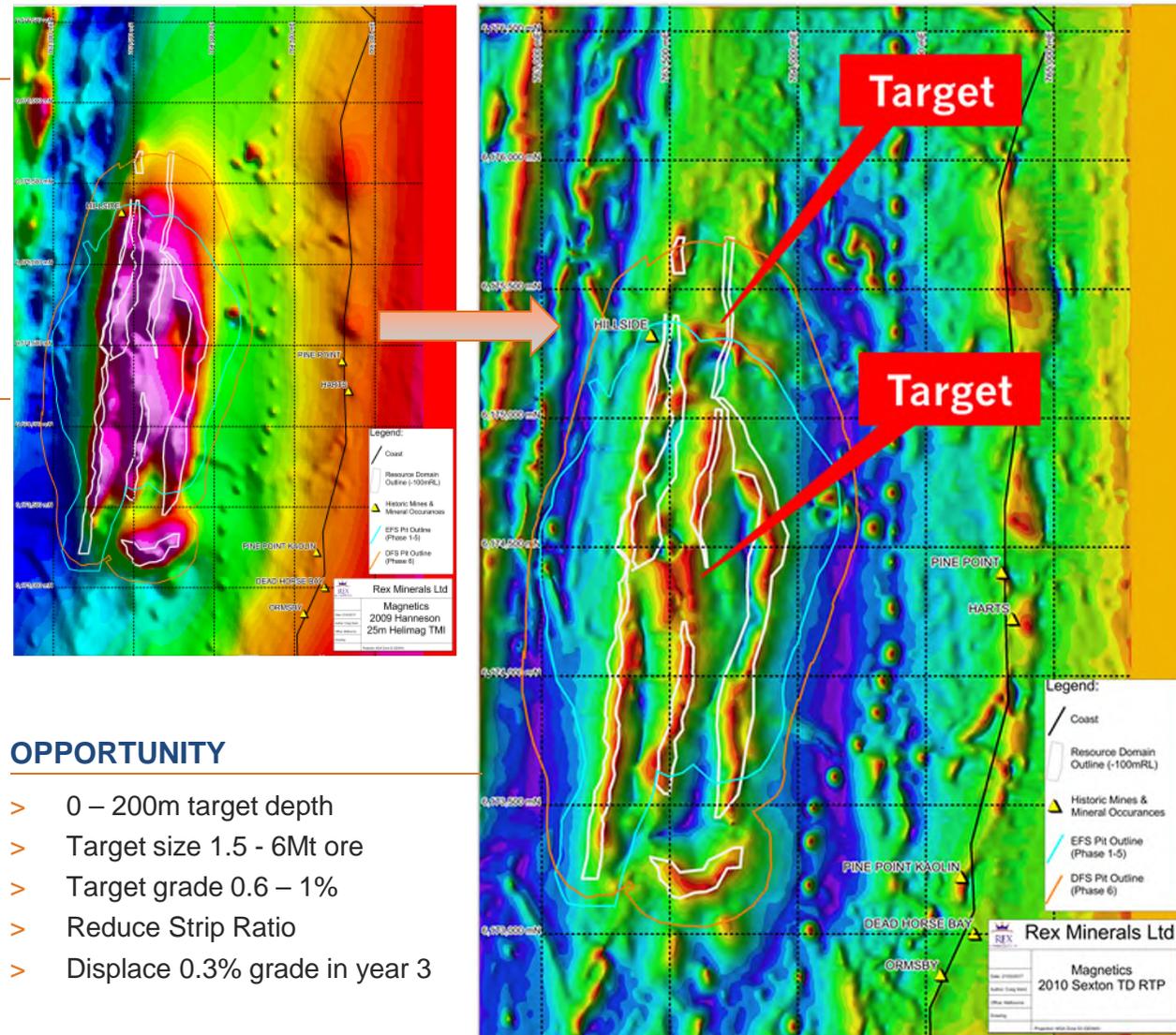


INITIAL TARGETING ON BROAD DATA

- > Magnetite is the primary driver in TMI image
- > Strong association between copper and magnetite
- > Image is smoothed and lacks local scale detail

REFINED DATA

- > Accurately defines the location of the copper zones
- > Several shallow high grade targets within the Stage 1 design



OPPORTUNITY

- > 0 – 200m target depth
- > Target size 1.5 - 6Mt ore
- > Target grade 0.6 – 1%
- > Reduce Strip Ratio
- > Displace 0.3% grade in year 3

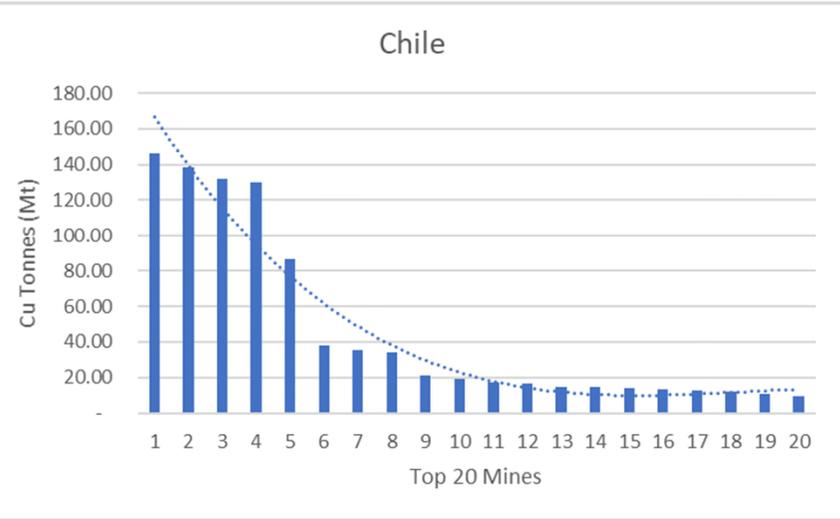
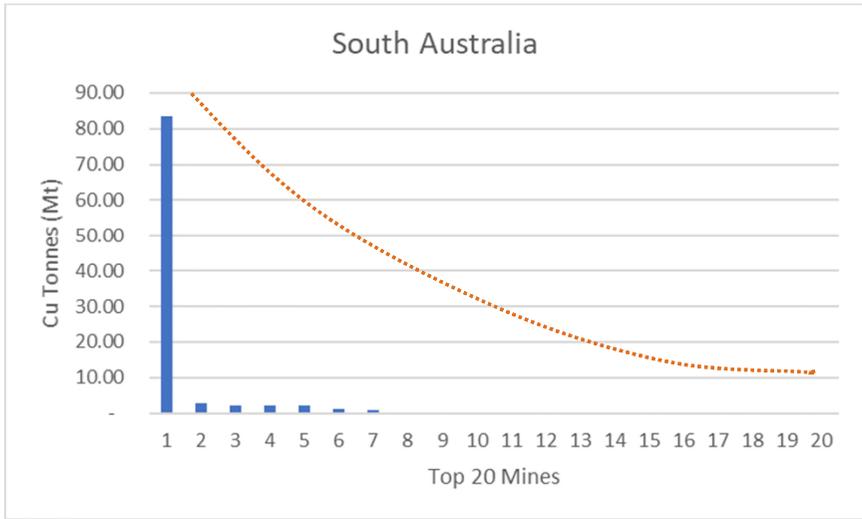
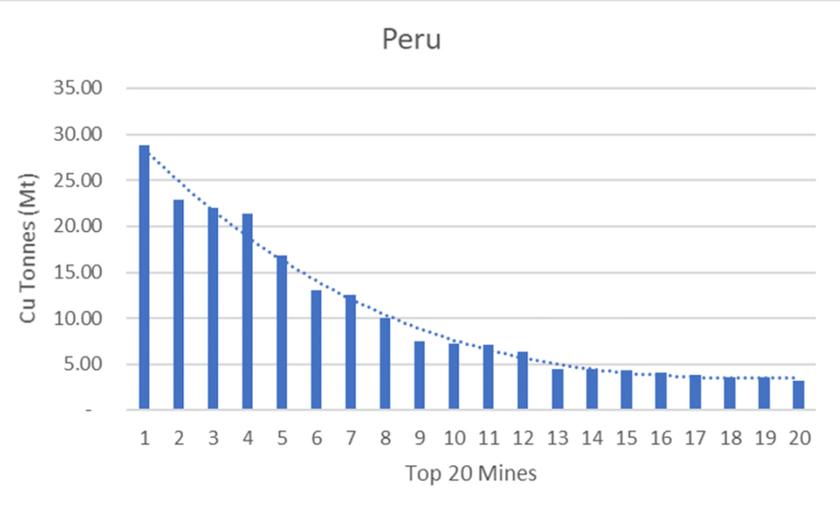
HUNTING GIANT COPPER

Not If, But When



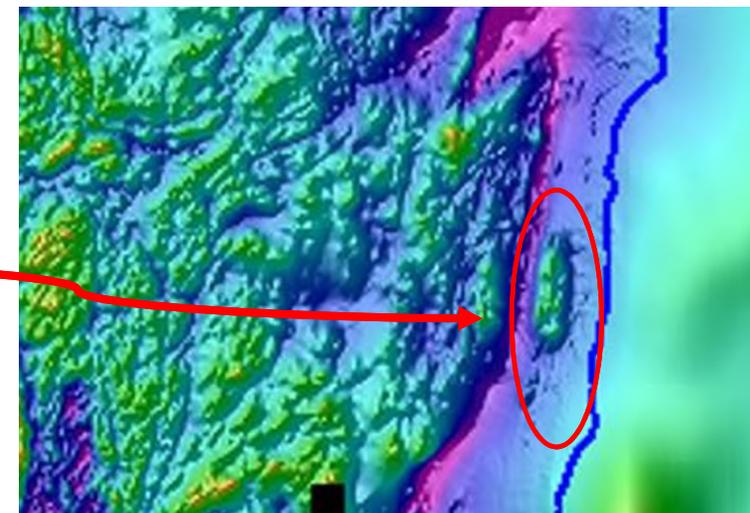
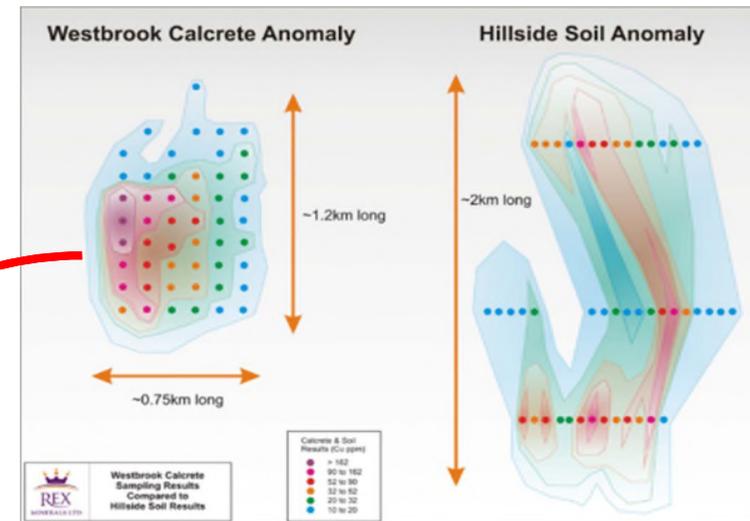
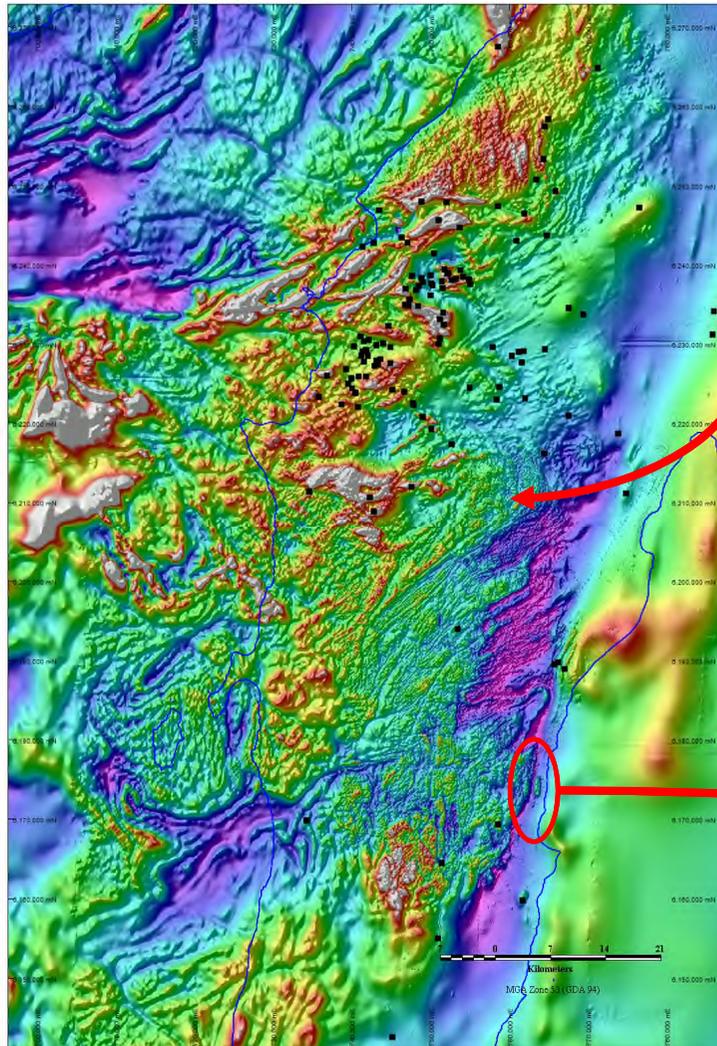
GAWLER CRATON VS GLOBAL PEERS

- > Major copper province discovery curves
- > Gawler Craton is proven
- > Huge gap between Olympic Dam and next largest orebody
- > Rex Hillside Discovery 2Mt Cu



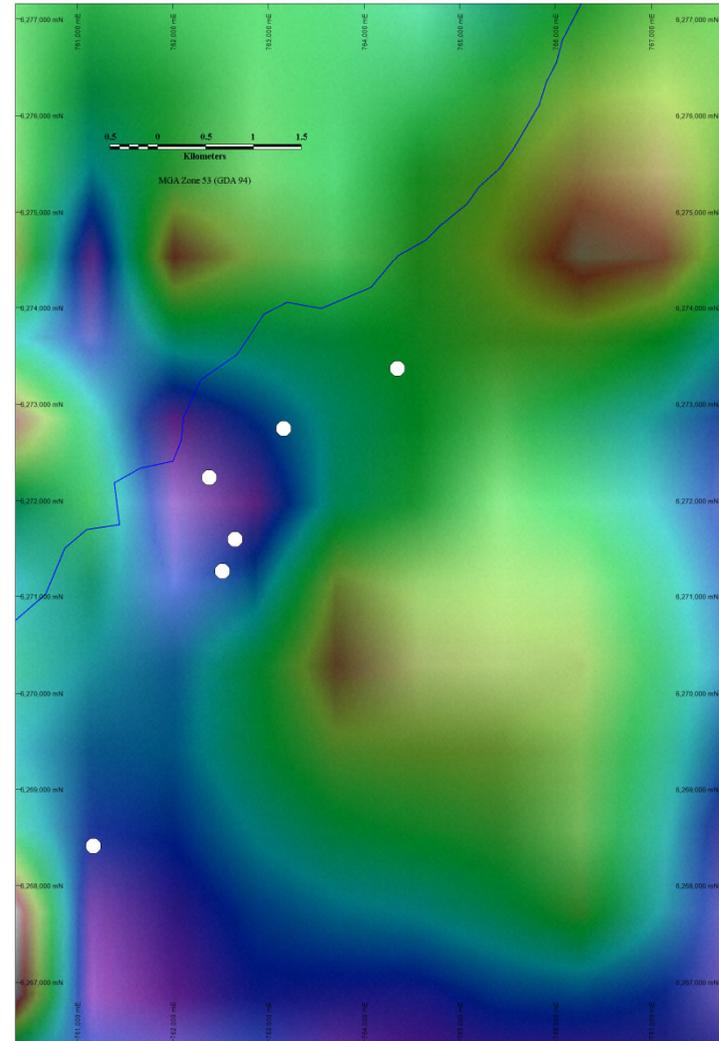
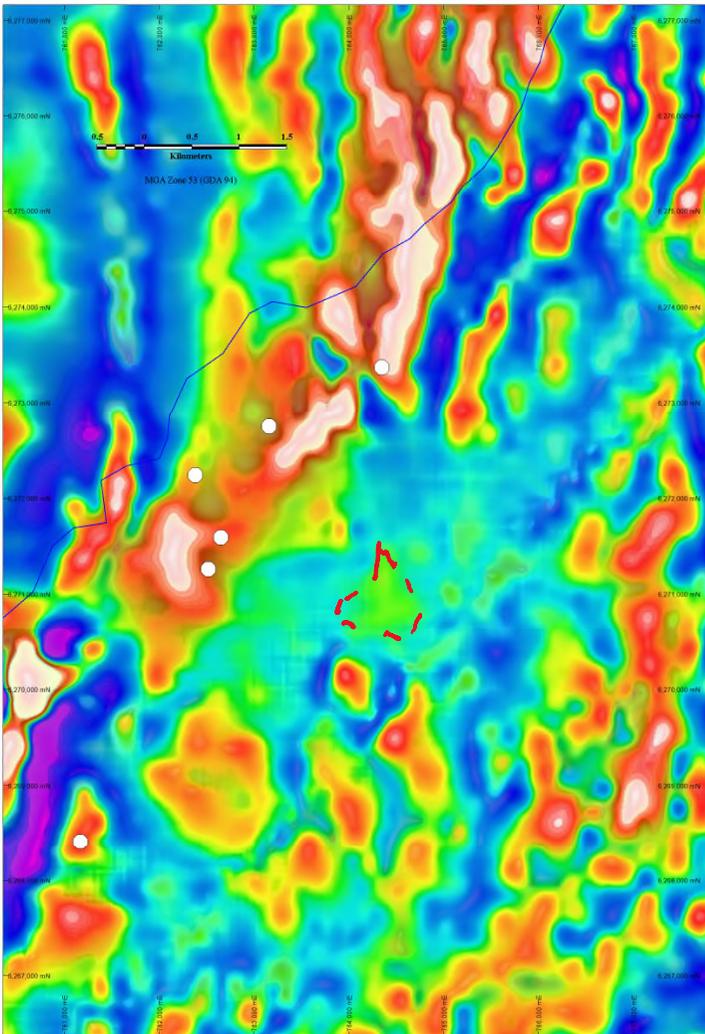
HUNTING GIANT COPPER

Historical Exploration vs Hillside – It wasn't supposed to be there



HUNTING GIANT COPPER

Exciting New 5–10Mt targets identified under shallow cover



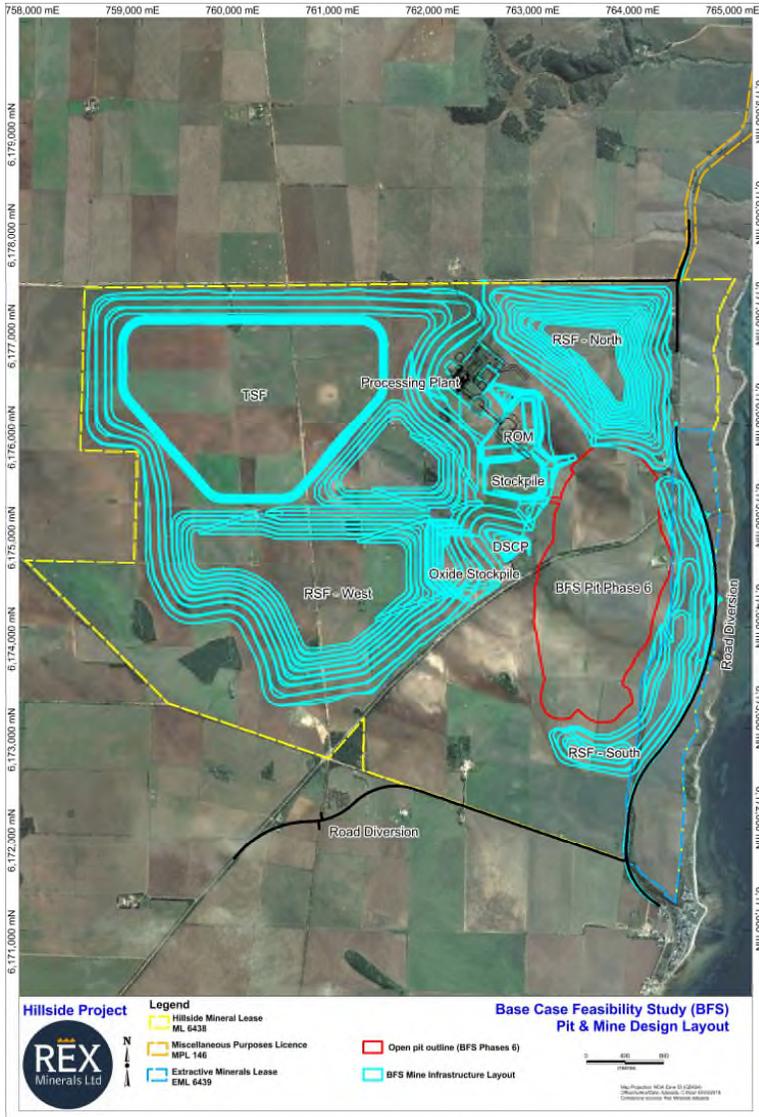
CHANGES FROM BFS - EFS

Why Change: Iron Ore Price Signalled the Route



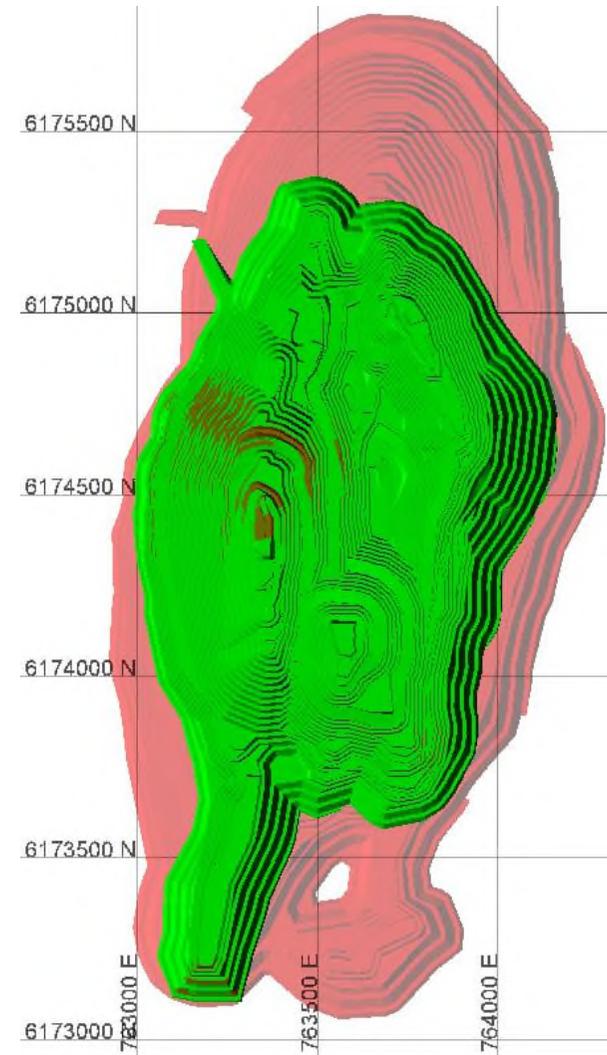
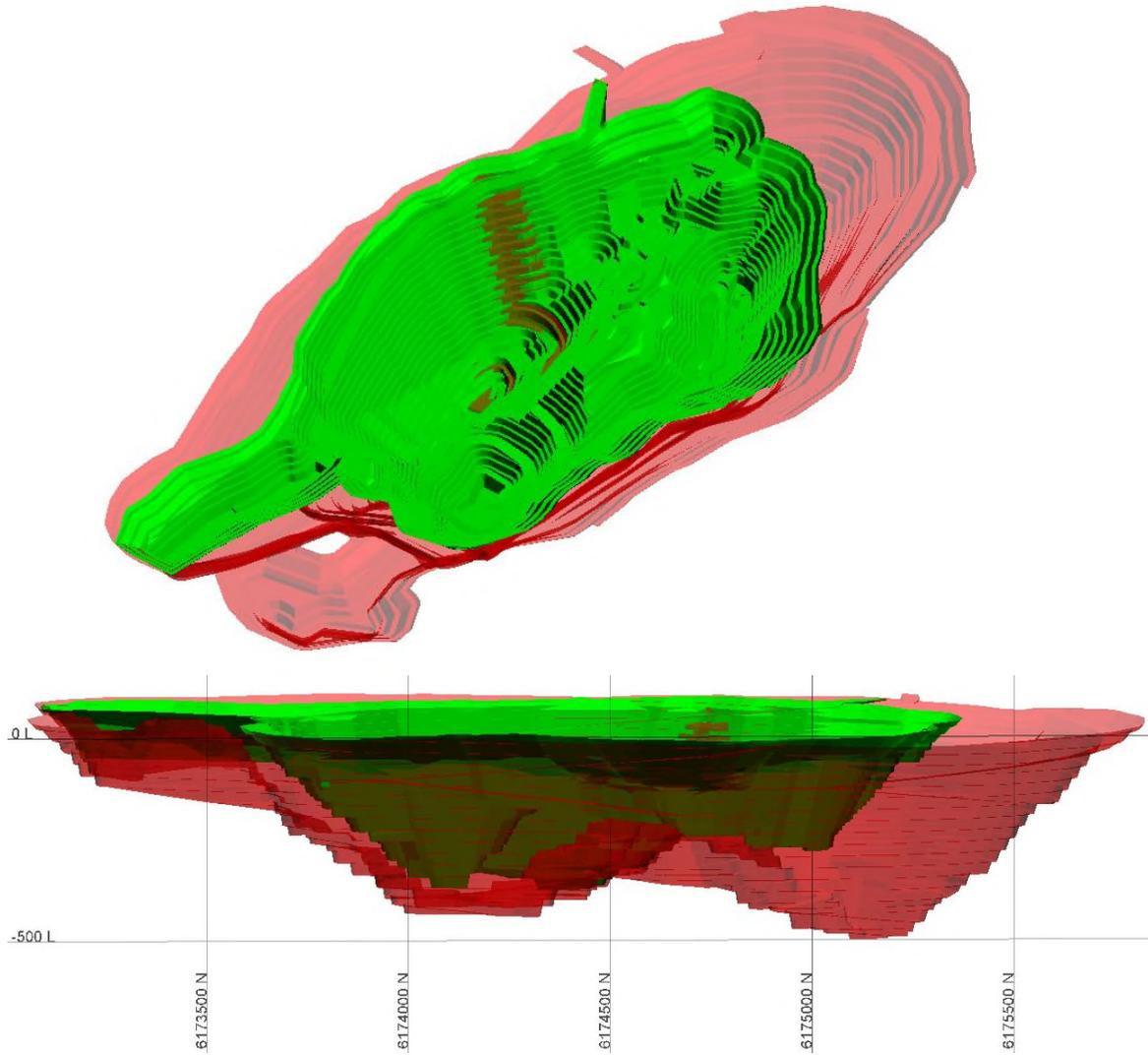
CHANGES FROM BFS - EFS

Stage 1: Smaller Site Footprint, Reduction from 15Mtpa to 6Mtpa



CHANGES FROM BFS - EFS

Stage 1: Smaller Pit



CHANGES FROM BFS - EFS

Stage 1: New Pit Design/Optimisation and Equipment Selection

TARGET LOW CAPEX

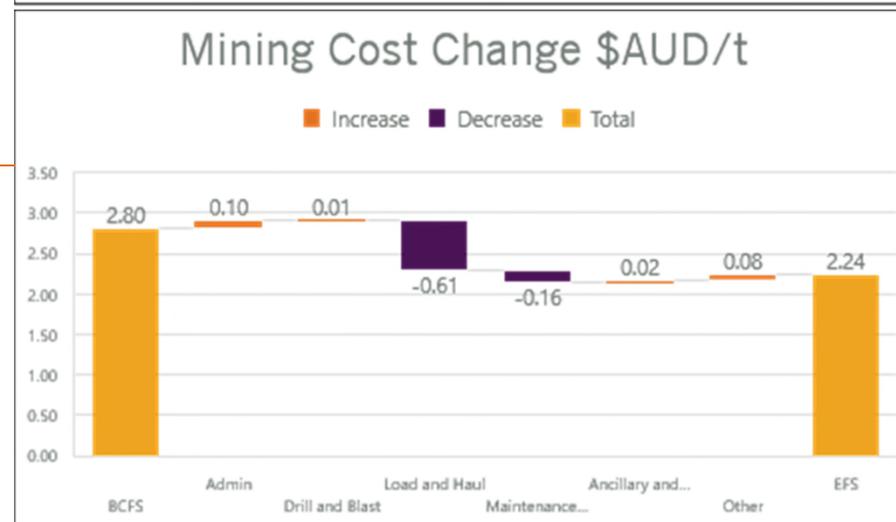
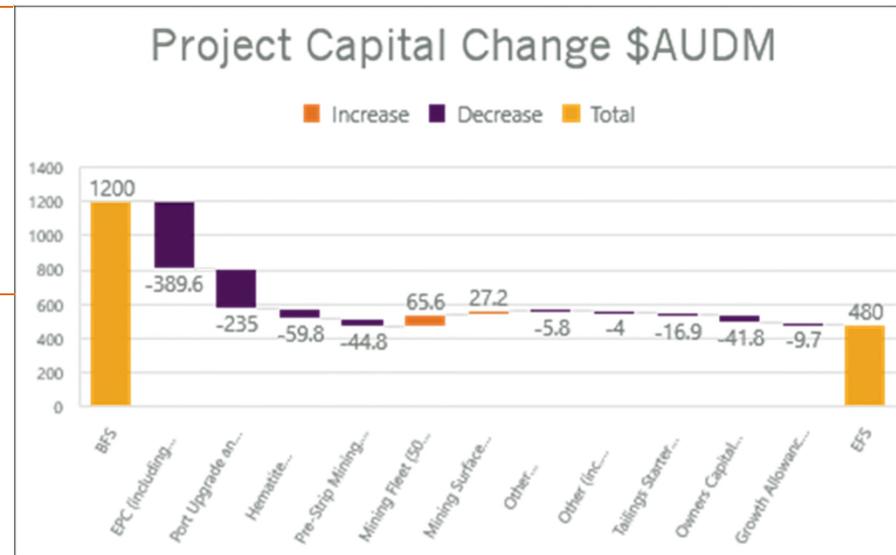
- > Capex reduction from A\$1.2Billion to A\$480M
- > Pit optimised on two metals, Cu & Au (Fe into tailings)
- > Production rate reduced from 15Mtpa to 6Mtpa
- > Port upgrade not required

INCREASED MINING SELECTIVITY

- > Backhoe Configuration Diggers
 - > Waste 800t (up from 600t)
 - > Ore 250t (down from 400t)
- > Bench heights reduced
 - > From 15 to 10m
 - > 2 x 5m flitch selectivity if required
- > Trucks increased from 240t to 300t Ultra Class

DETAILED DESIGN

- > Pit Staged
- > Pit Selected Revenue Factor 0.66
- > Max Sink Rate reduced from 150m/yr to 100m/yr
Average <40m/yr



CHANGES FROM BFS - EFS

New Pit Design Reflected in Total Fleet

| | Previously... | Now... | |
|---|---------------|--------|------------------------------------|
|  | 58 | 16 | 72% less |
|  | 13 | 5 | Total trucks on roads are the same |
|  | 0 | 7 | |



APPENDIX B – KEY RISKS & JURISDICTION RESTRICTIONS

Key Risks



There are a number of factors, both specific to the Company and of a general nature, which may, either individually or in combination, affect the future operation, exploration, development and financial performance and/or financial position of the Company, its prospects, and/or the value of the Shares. Many of the circumstances giving rise to these risks are beyond the control of the Company, the Directors or its management.

Set out below are the areas the Directors regard as the major risks associated with an investment in the Company. There may also be additional risks (including financial and taxation risks) that you should consider in light of your own personal circumstances. The following list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company.

The Offer of New Shares carries no guarantee with respect to the payment of dividends, returns of capital or the market value of those New Shares. Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for new share offered under the Offer.

Financing risks

The Company may not raise sufficient funds from this capital raising and may need to raise additional funds in the future. There is no guarantee that the Placement and SPP offers will be fully subscribed. There is no assurance that the Company will be able to secure additional funding for the Hillside Project, whether debt, equity or otherwise, on acceptable terms, or at all. Any additional equity financing will dilute shareholdings. If Rex is unable to obtain additional financing as needed, it may be required to reduce the scope or suspend its proposed work programs.

Uncertainty of project development and exploration

Development activities and exploration are highly speculative, involve many risks and may be unsuccessful. Rex's ability to achieve its proposed forecast levels of production is dependent on the success of development of the Hillside Project. As a result of the uncertainties involved in these activities, the development of the Hillside Project may not occur on time, on budget, or at all, which would adversely affect Rex's proposed operation and its financial results.

Metal prices and Exchange Rates

Changes in base and precious metal prices may impact on the cashflows and profitability of Rex. Low base and precious metal prices may have a materially adverse effect on Rex's cash flows, profitability and share price. A significant portion of Rex's proposed pre-production capital costs, revenue and expenditure are denominated in US currency and movements in currency exchange rates may affect cash flows, profitability, costs and revenue. It is not possible to accurately predict future movements in metal prices and/or exchange rates.



APPENDIX B – KEY RISKS & JURISDICTION RESTRICTIONS

Key Risks



Resource and reserve estimates

Rex has made estimates of its resources and reserves based on relevant reporting codes, where required, and judgments based on knowledge, skills and industry experience. However, there is no guarantee that estimates will prove to be accurate. Actual mining results may materially differ from forecasts and estimates due to further findings and results not previously known or fluctuations in operating costs, exchange rates and metal prices.

Production estimates

Actual future production may vary materially from targets and projections of future production for a variety of reasons. There is greater risk that actual production will vary from estimates of production made for properties under exploration or not yet in production or from operations that are to be expanded.

Operating risks

Following construction, operations may be affected by various factors, including failure to achieve predicted grades or production rates, operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment. Losses resulting from any of these risks could have a material adverse effect on the Company's financial resources or could result in a total loss of the assets affected, and accordingly, may affect the market price of the shares

Capital and operating costs

Rex's capital and operating costs estimates are based on the best available information at the time. Any significant unforeseen increases in the capital and operating costs associated with the development and construction of the Hillside Project would impact Rex's future cash flow and profitability.

Extended Feasibility Study

The material assumptions relating to the EFS at Hillside provided in the ASX Announcement of May 2015 continue to apply and have not materially changed. The material assumptions are estimates that are subject to change, which may affect the viability of the Hillside Project.

Reliance on key personnel

The responsibility of overseeing day to day exploration, development and the strategic management of Rex is concentrated amongst a small number of key employees. While it is not currently anticipated, one or any number of these key employees may cease employment with Rex. The loss of any such key employees of Rex could have the potential to have a detrimental impact on Rex until the skills that are lost are adequately replaced.



APPENDIX B – KEY RISKS & JURISDICTION RESTRICTIONS

Key Risks



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 will be renewed or 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.

Further, it is possible that tenements in which Rex has an interest in may be subject to a native title claim. If native title rights do exist in respect of a tenement, the ability of Rex to gain access to that tenement may be adversely affected.

Market Perceptions

Shares are a speculative investment and are vulnerable to macroeconomic changes including sudden changes in the market's perception of a company's value. Positive financial returns are not guaranteed and the share price may be affected by various factors, many of which may be outside of the Company's control. These can include investor sentiment and general market conditions. In particular, the share price of the Company can be affected by factors including, among other things, development of new products or technologies by the Company or its competitors, domestic and foreign government policy, litigation and dispute matters including in relation to intellectual property, and the retention and reimbursement of key personnel.

In addition, the Company does not have a large market capitalisation compared to larger companies listed on ASX and may have a low trading volume compared to these other companies. This may result in increased volatility of the price of the shares, compared to the market as a whole or indices such as the S&P ASX 200 index.

Changes in the share price may impact on the value of the Company's shares generally. It cannot be guaranteed by the Company that the Company will generate positive returns, or that the share price will increase or be maintained.

Economic conditions

Adverse changes in economic conditions such as interest rates, exchange rates, inflation, government policy, international economic conditions and employment rates amongst others are outside Rex's control and have the potential to have an adverse impact on Rex and its operations.



APPENDIX B – KEY RISKS & JURISDICTION RESTRICTIONS

Key Risks



Environmental risks

The operations and proposed activities of the Company are subject to Australian laws and regulations concerning the environment. As with most exploration and development projects, 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 Rex's activities which could subject the Company to extensive liability.

Occupational health and safety

Rex manages certain risks associated with the occupational health and safety of its employees. Rex takes out insurance to cover these risks within certain parameters, however it is possible for injuries and/or incidents to occur which may result in expenses in excess of the amount insured or provided for with a resultant impact on the Company.

Insurance

The Company intends to ensure that insurance is maintained to address insurable risks within ranges of coverage the Company believes to be consistent with industry practice, having regard to the nature of the Company's activities. However, no assurance can be given that the Company will be able to obtain insurance cover for all risks faced by the Company at reasonable rates or that the insurance cover it arranges will be adequate and available to cover all possible claims. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

Regulatory risk, government policy and taxation

Rex is exposed to any changes in the regulatory conditions under which it operates in Australia. Such regulatory changes can include, for instance, changes in:

- taxation laws and policies;
- royalty laws and policies;
- accounting laws, policies, standards and practices;
- environmental laws and regulations that may impact upon Rex; and
- employment laws and regulations, including laws and regulations relating to occupational health and safety.

Any one of these regulatory changes may have a material adverse effect on the Company.



APPENDIX B – KEY RISKS & JURISDICTION RESTRICTIONS

Key Risks

Other general risks

The future viability of and profitability of the Company is also dependent on a number of other factors which affect the performance of all industries, and not just mineral exploration and mining. These include, but are not limited to:

- default by a party to any contract to which the Company is, or may become, a party;
- insolvency or other managerial failure by any of the contractors used by the Company in its activities;
- industrial disputation by the Company's workforce or that of its contractors;
- litigation;
- natural disasters and extreme weather conditions; and
- acts of war and terrorism or the outbreak or escalation of international hostilities and tensions.





APPENDIX B – KEY RISKS & JURISDICTION RESTRICTIONS

International Offer Restrictions



This document does not constitute an offer of new ordinary shares ("New Shares") of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act"). The New Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.



APPENDIX B – KEY RISKS & JURISDICTION RESTRICTIONS

International Offer Restrictions



United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of the FSMA) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.