

ASX Release: 1 February 2021



ABN 12 124 960 523

Quarterly Activities Report for the period ended 31 December 2020

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The bets are in and President Biden has hit the ground running. His actions on the first days in office included printing an additional US\$1.9 trillion and a significant re-commitment to the Paris Agreement as well as re-establishment of electric vehicle subsidies. The commodity super cycle for electrification assets (Copper) and protective assets (Gold) is beginning.

COVID-19 disruption was severe and without doubt continues to reshape the future. Global travel remains unlikely, and domestically, interstate travel is only now opening up.

Significantly, during the quarter, Rex Minerals:

- Opened financing discussions on Hillside, whilst pursuing joint venture and funding partner discussions through Grant Samuel.
- Saw the updated SA Mining Act Amendments Bill and Legislation gazetted, effective 1 January 2021.
- Completed drilling at Bells and Krista (Hog Ranch).
- Confirmed the discovery of a new high-grade zone at Krista with an intersection of 12.2m @ 6.45g/t gold below the previous modelled resource.
- Reported a number of outstanding drill intersections – all over 100m in thickness – including:
 - 210m @ 0.66g/t gold from surface and
 - 179m @ 0.51g/t gold from surface at Krista.
- Confirmed significant extensions to the area of gold mineralisation including:
 - over 2km strike of gold mineralisation between the Krista and Geib historic pits.
 - over 1.5km strike of gold mineralisation near Geib.
- Successfully confirmed and expanded the gold position at Bells.
- For the first time, confirming silver mineralisation at Bells, at a consistent silver to gold average ratio of around 5:1.
- Completed the first ever regional geophysics over the Hog Ranch Property, including hyperspectral and magnetics, which combined with extensive modelling and recent drilling results, led us to define a significantly larger trend. We have now tripled our mining claims holdings.
- Presented at the Noosa Mining conference on 12 November.
- Held the Annual General Meeting, on 27 November, with all four resolutions well supported and approved.

HOG RANCH PROPERTY – NEVADA USA

An active and successful program of drilling and regional geophysics

Rex Minerals (Rex or the Company) has reported extensively on what have been very successful results at the Hog Ranch Gold Property (Hog Ranch) over the period in review. Activities undertaken have ranged from initiating a cultural survey to pave the way for permitting, its second Reverse Circulation (RC) drilling program, detailed regional hyperspectral data and magnetics surveys and a ground-based Induced Polarisation (IP) survey.

Based on this work, Rex has identified significant upside opportunity and tripled its land holding, to an area that now covers over 70 sq kms within a redefined Hog Ranch Property.

Maiden drill results for the Krista Project (Krista) as well as additional drilling at the Bells Project (Bells) within Hog Ranch were also reported in the period. They confirmed significant gold extensions outside the current Mineral Resource.

These new results confirm and extend the scale of the oxide gold deposit and further define the internal higher-grade trends which exist outside the historic Geib and Krista open pits. In summary, the results included:

- 210.3m (~187m true width) @ 0.66g/t gold from surface in hole HR20-023
 - Including 12.2m (~7m true width) @ 6.45g/t from 167.6m
- 179.8m @ 0.51g/t gold (~ 147m true width) from surface in hole HR20-026
 - Including 125m @ 0.67g/t gold (~ 102m true width) from surface
- 100.6m (~93m true width) @ 0.77g/t gold from 83.8m in hole HR20-025
 - Including 44.2m (~41m true width) @ 1.54g/t from 89.9m
- 129.5m (~116m true width) @ 0.41g/t gold from 48.8m in hole HR20-024
 - Including 15.2m (~14m true width) @ 2.26g/t from 161.5m
- 56.4m (~48m true width) @ 0.89g/t gold from 19.8m in hole HR20-027
 - Including 30.5m (~26m true width) @ 1.44g/t from 21.3m.

The results include the discovery (hole HR20-023) of a new high-grade zone, extending beneath the previous interpretation including 12.2m @ 6.45g/t gold, extending from 167.6m down-hole.

Rex's Managing Director, Richard Laufmann, said at the time of the announcement: "The broader intersections identified in this new drill program at Krista are thick, shallow oxide; perfectly amenable to the very low-cost high-margin open pit/heap leach economics outlined in the Bells Scoping Study.

"The higher-grade central core at Krista is continuing to take shape. All results to date are extremely encouraging. They increase our confidence in the historical data, whilst indicating that our Mineral Resource interpretation is conservative. We have added to what we previously defined, and the high-grade shoot in hole HR20-023 is an enticing new discovery."

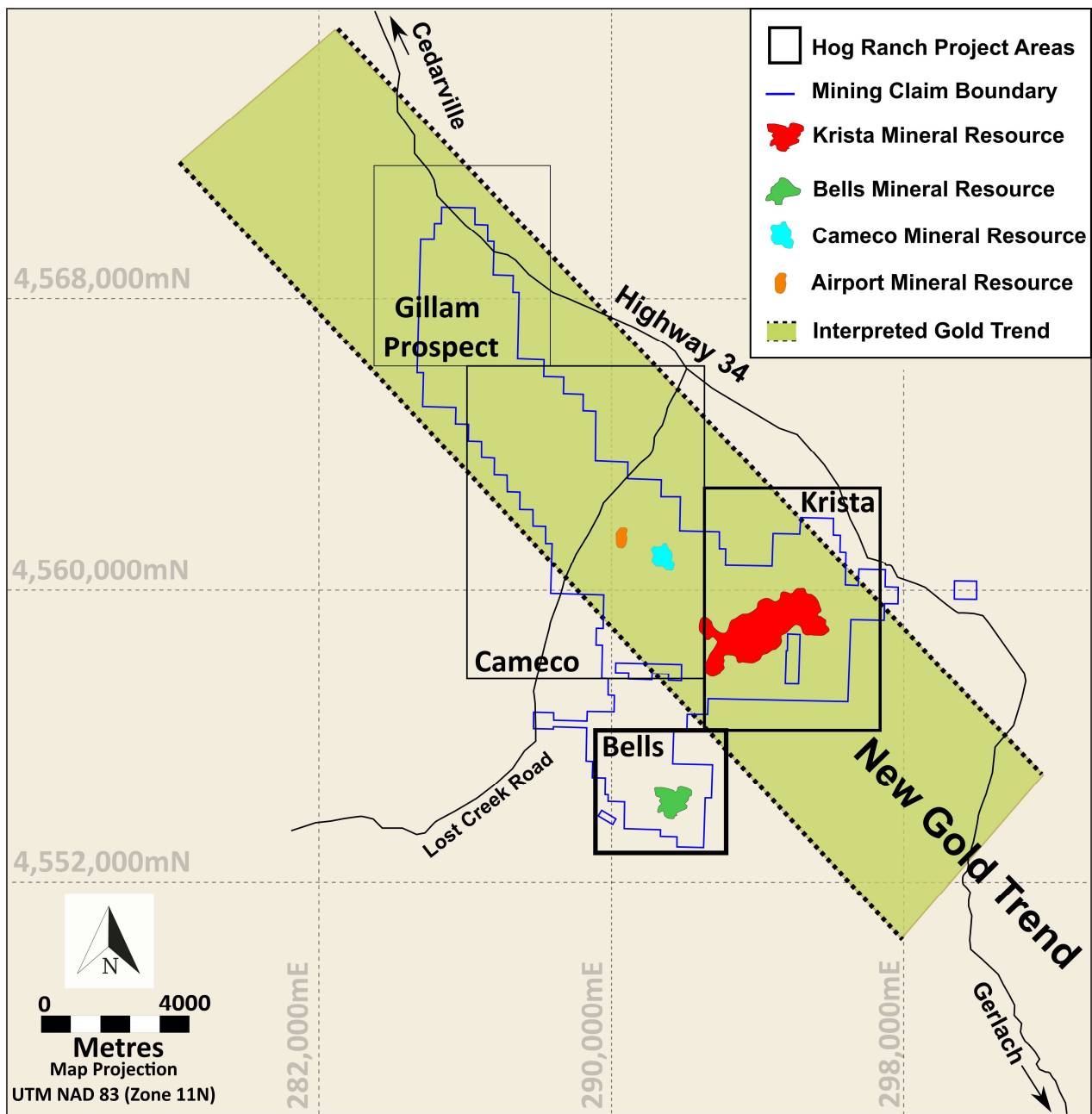


Figure 1: View of the updated mining claim boundaries at Hog Ranch, relative to the newly-defined Gold Trend which cuts through the host rocks and is interpreted to be the focus of significant gold mineralisation.

Drill Hole Number	From (m)	To (m)	Down-hole Length (m)	True Width (m)	Average Gold Assay (g/t)
HR20-023	0.0	210.3	210.3	187	0.66
<i>Including</i>	<i>167.6</i>	<i>179.8</i>	<i>12.2</i>	<i>7.0</i>	<i>6.45</i>
HR20-024	48.8	178.3	129.5	116	0.41
<i>Including</i>	<i>161.5</i>	<i>176.8</i>	<i>15.2</i>	<i>14</i>	<i>2.26</i>
HR20-025	83.8	184.4	100.6	93	0.77
<i>Including</i>	<i>89.9</i>	<i>134.1</i>	<i>44.2</i>	<i>41</i>	<i>1.54</i>
HR20-026	0	179.8	179.8	147	0.51
<i>Including</i>	<i>0</i>	<i>125.0</i>	<i>125.0</i>	<i>102.5</i>	<i>0.67</i>
<i>Including</i>	<i>36.6</i>	<i>111.3</i>	<i>74.7</i>	<i>61.3</i>	<i>0.92</i>
HR20-027	19.8	76.2	56.4	48	0.89
<i>Including</i>	<i>21.3</i>	<i>51.8</i>	<i>30.5</i>	<i>26</i>	<i>1.44</i>
HR20-027	111.3	137.2	25.9	24	0.40
<i>Including</i>	<i>112.8</i>	<i>132.6</i>	<i>19.8</i>	<i>18</i>	<i>0.47</i>

Table 1: Summary of composited gold intersections from late 2020 RC drilling at Krista (see Figures 2 to 4). All significant intersections in this table are based on an interpreted shallow “blanket” of gold mineralisation. Estimated true widths are adjusted from the down-hole length based on the difference between the dip of the drill hole intersection and the interpreted geometry of the gold mineralisation.

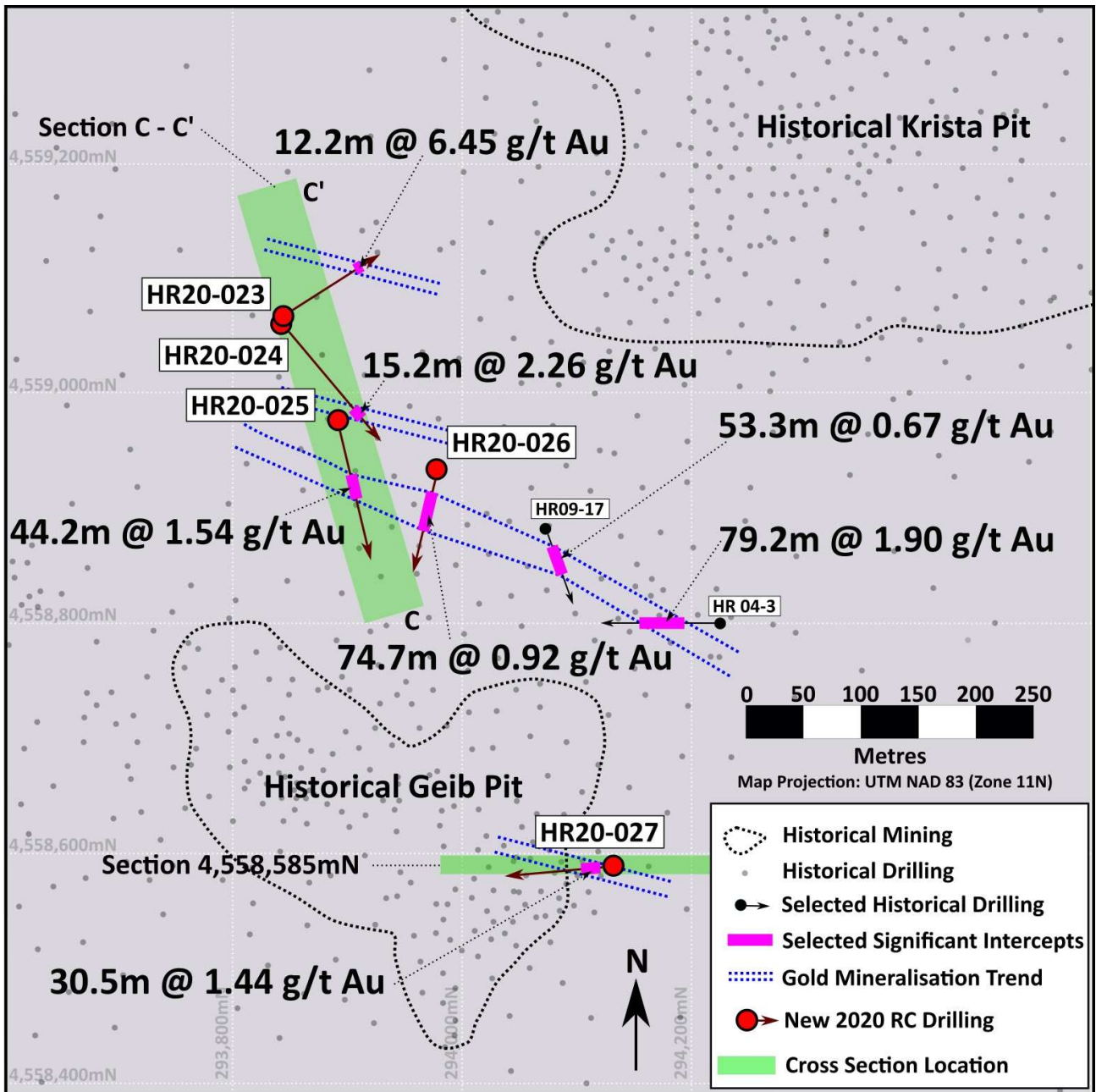


Figure 2: Plan view location of drill holes HR20-023, HR20-24, HR20-025, HR20-027 and (previously reported) HR20-026 relative to the shallow historical open pits and surrounding historical drill hole locations. *Most of the historical drill holes are very shallow and many of them do not extend into the deeper sections of gold mineralisation around the historical Geib and Krista pit areas.*

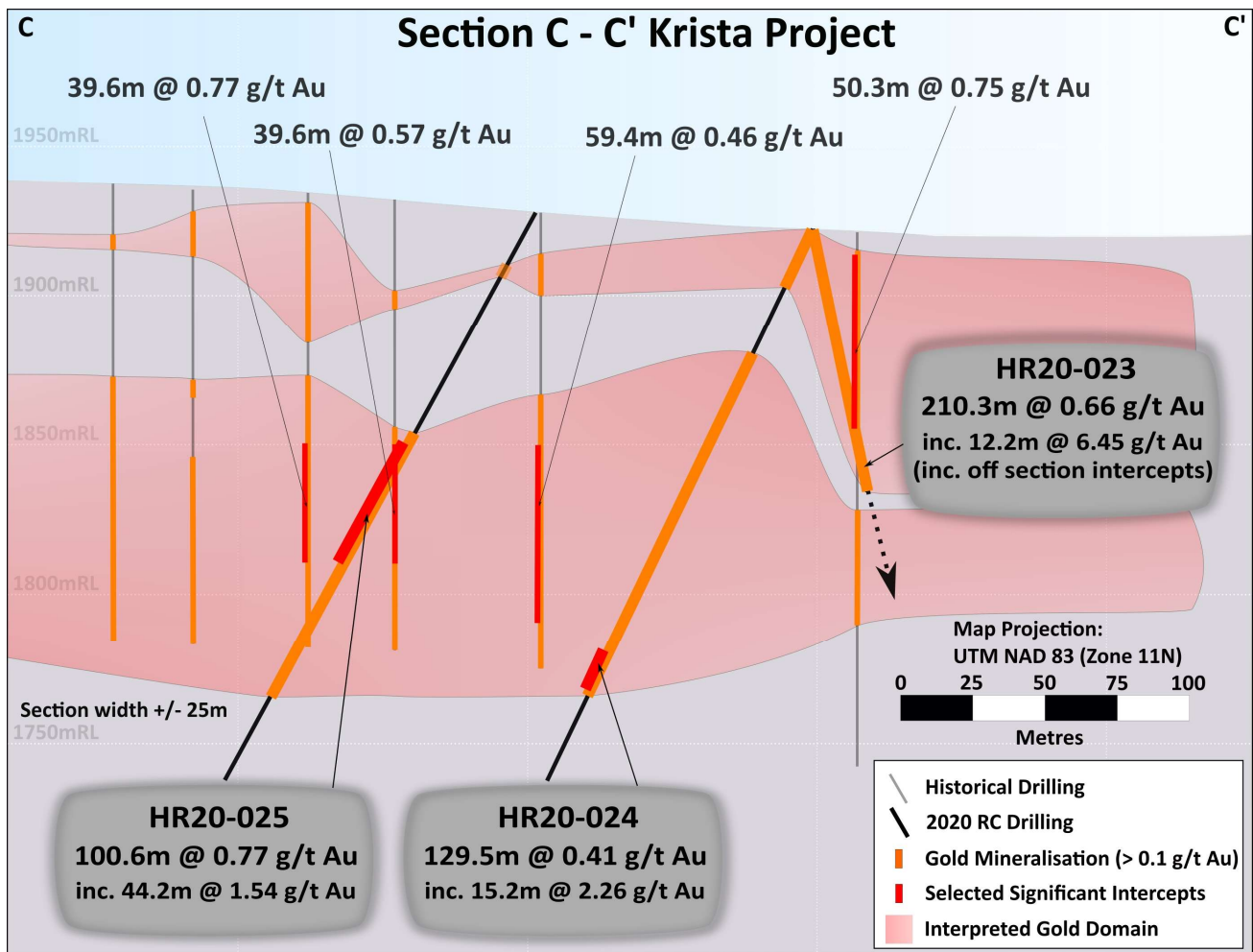


Figure 3: Oblique cross section C-C' with drilling results highlighted from HR23-023 (bottom half of drill hole located off section) HR20-024 and HR20-025. The drilling results are shown relative to the existing interpretation of the shallow gold mineralisation based on the historical drilling information at this location.

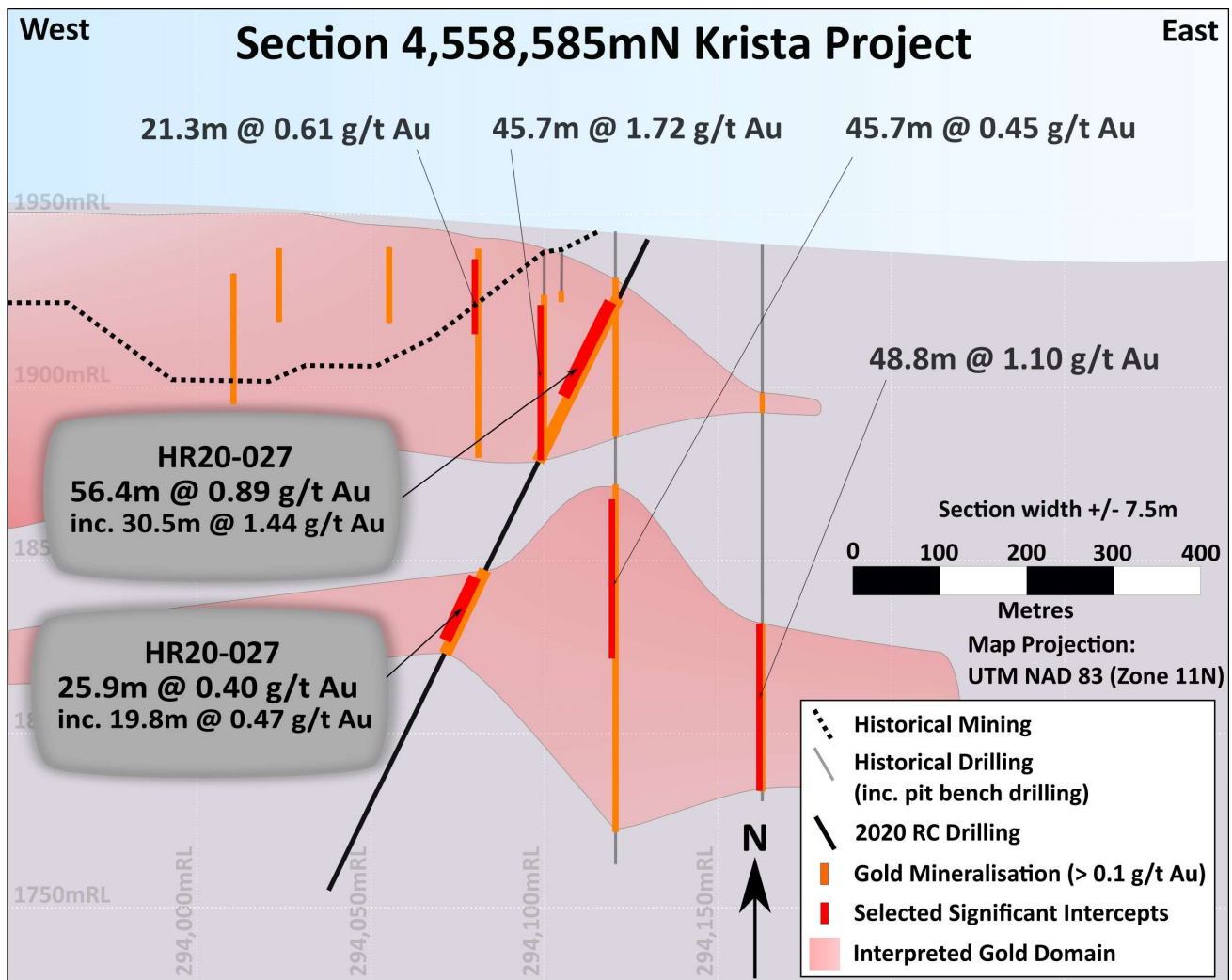


Figure 4: Cross section 4,558,585mN (see Figure 2) with drilling results highlighted from HR20-027. The drilling results are shown relative to the existing interpretation of the shallow gold mineralisation based on the historical drilling information at this location.

Note on lower cut-off grades used for reporting of assay results:

Recent studies at the adjacent Bells Project have identified combined mining, processing and administration costs of approximately US\$10 per tonne (see Rex announcement dated 9 June 2020). Due to the much larger size of the gold mineralisation at Krista, Rex is aiming to pursue larger economies of scale to reduce the overall mining and processing costs relative to Bells. Therefore, the current information indicates that a gold cut-off grade of between 0.1g/t and 0.2g/t is appropriate based on the likely cost structure for Krista and an assumed gold price in excess of US\$1,600/oz.

Early in the quarter, Rex received assay results from a 7-hole drill program at the Bells Project (Bells) within Hog Ranch. In summary, the results included:

- Robust and consistent gold mineralisation from near-surface including:
 - 93m @ 0.46g/t from 32m (~83m true width) from HR20-003, including:
 - 19.8m @ 0.69g/t from 35m and 18.3m @ 0.71g/t from 71.6m
 - 70.1m @ 0.4g/t from 9.1m (~63m true width) from HR20-002, including:
 - 7.7m @ 1.0g/t from 21.3m
 - 147.8m @ 0.34g/t from 12.2m (~134m true width) from HR20-005

- Expansion potential – Bells’ Mineral Resource remains open along strike and at depth
- Silver mineralisation, first identified in 2019 drilling, has returned a consistent silver-to-gold average ratio of around 5:1 (silver has the potential to further upgrade the economics)
- Higher grade feeder/vein-hosted gold at depth remains open and untested
- The assay results received at Bells confirm continuity of the gold mineralisation to allow for upgrades to the Mineral Resource.

The objective of this drilling program was to enable further conversion of the Inferred Mineral Resource into the higher confidence category of an Indicated Mineral Resource for use in a Feasibility Study.

Rex’s Managing Director, Richard Laufmann, said at the time of the announcement: “These drilling results successfully expand on our 2019 results. We are now confident that silver will likely improve the Project economics, and the drilling has highlighted the opportunity for us to grow the shallow heap-leachable Resource in the north-eastern portion of Bells, in addition to an attractive lode gold style target at depth. Without doubt, they confirm our geological model and provide the data to improve our confidence in the overall Mineral Resource.”

Drill Hole Number	From (m)	To (m)	Down Hole Length (m)	Estimated True Thickness (m)	Average Gold Assay (g/t)	Silver Assay (g/t)
HR20-002	9.1	79.2	70.1	63.0	0.40	1.7
<i>Including</i>	<i>21.3</i>	<i>29.0</i>	<i>7.7</i>	<i>6.9</i>	<i>1.00</i>	<i>3.6</i>
HR20-003	32.0	125	93.0	84.0	0.46	4.0
<i>Including</i>	<i>35.1</i>	<i>54.9</i>	<i>19.8</i>	<i>17.4</i>	<i>0.69</i>	<i>2.2</i>
<i>Including</i>	<i>71.6</i>	<i>89.9</i>	<i>18.3</i>	<i>16.5</i>	<i>0.71</i>	<i>6.2</i>
HR20-004	4.6	35	30.5	26.3	0.31	0.6
	61	118.9	57.9	49.8	0.21	1.1
	140.2	160(EOH)	19.8	17.0	0.31	2.1
HR20-005	12.2	160(EOH)	147.8	134.4	0.34	2.0
<i>Including</i>	<i>12.2</i>	<i>59.4</i>	<i>47.2</i>	<i>42.5</i>	<i>0.40</i>	<i>2.2</i>
<i>Including</i>	<i>61</i>	<i>121.9</i>	<i>60.9</i>	<i>561</i>	<i>0.34</i>	<i>1.9</i>
<i>Including</i>	<i>150.9</i>	<i>160(EOH)</i>	<i>9.1</i>	<i>8.5</i>	<i>0.55</i>	<i>2.6</i>
HR20-006	9.1	47.2	38.1	32.9	0.45	2.0
<i>Including</i>	<i>18.3</i>	<i>22.9</i>	<i>4.6</i>	<i>3.9</i>	<i>0.67</i>	<i>2.9</i>
HR20-007	25.9	41.1	15.2	13.2	0.58	1.6

Table 2: Summary of composited gold and silver intersections (cut-off at a nominal grade of 0.2g/t) from the Bells 2020 RC drilling program. All significant intersections in this table are based on an interpreted shallow “blanket” of higher-grade gold mineralisation. Estimated true widths are adjusted from the down hole length based on the difference between the dip of the drill hole intersection and the interpreted geometry of the gold mineralisation.

In addition, during the quarter we completed several lines of an Induced Polarisation (IP) geophysical orientation survey over known gold mineralisation at Rex's Airport and Cameco deposits.

The purpose of the survey was to investigate if IP can be utilised as an effective exploration tool by surveying known high-grade gold deposits to ascertain whether the gold mineralising features 'light up' in IP data.

The results from the survey are extremely encouraging because they have identified key features (anomalies) which correlate to known high-grade gold drill intersections at both locations. Based on the orientation survey data, Rex is confident that IP will be a very useful exploration tool. In summary, the results included:

- New drill targets (IP anomalies) have been identified
- A distinct chargeability anomaly was identified directly over the historical drill intercept at the Cameco deposit (95-031 which intersected 6.1m @ 61.1g/t gold)
- Results from the IP survey at the Airport deposit have identified a resistivity anomaly directly over high-grade gold mineralisation
- Rex is progressing a much larger 3D IP survey over multiple prospects at Hog Ranch
- IP has the potential to significantly reduce discovery costs and fast track the rate of discovery of high-grade gold mineralisation at Hog Ranch.

Rex's Managing Director, Richard Laufmann, said at the time of the announcement (5 November 2020): "We already know we have a huge gold system at Hog Ranch, but the ability to accurately locate the extensions of high-grade before we drill has the potential to be a real game changer.

"We have a long list of historical high-grade hits at Hog Ranch which we need to follow up. We now believe that with the aid of a 3D IP survey, we will be able to focus the drill bit into the larger and more continuous lode gold targets throughout Hog Ranch."

During the period, Rex also reported that cultural and geotechnical surveys had commenced, paving the way for permitting.

For full details of the Hog Ranch drill program as reported during the quarter, see Rex's ASX announcements of 19 October, 18 November, and 10 and 21 December 2020.

HILLSIDE PROJECT – SOUTH AUSTRALIA

During the quarter, Rex met with the South Australian Department of Mining and Energy (DEM), in particular the PEPR approval case manager, and the officer in charge of the Hillside PEPR implementation. Rex updated the DEM on status and progress of work at Hillside, based on publicly available information.

The Company attended a Hillside Mine Community Voice (HMCV) meeting in December 2020 with Hillside region community members. It was agreed at this meeting that a review of the HMCV engagement process over the last four years will be undertaken by an independent party and recommendations made for future engagement.

Rex is reviewing and updating the pre-development and construction work and schedule for Hillside in line with the overall requirements for the Project, and its PEPR commitments and requirements.

South Australian Government

The newly-updated SA Mining Act Amendments Bill and Legislation has been ratified and gazetted on 1 January 2021. The Act and related Legislation are now available online.

Community Engagement

Rex continued to receive email and phone queries from regional community members, stakeholders and interested suppliers, contractors and businesses regarding future plans for Hillside post PEPR approval. Rex continues to respond to these queries and meet with community members.

Hillside Feasibility

While not reported during the December 2020 quarter, the following information is provided because it gives context to the prize that is Rex's 100%-owned Hillside Copper-Gold Project. Key base case outcomes from the 2020 Hillside Study include:

Hillside Project Sensitivity

(Note the incentive price is equal to today's spot price)

		Base Case 2020	Consensus Forecast July 2022	Incentive Case	Upside Case
Copper Price	US\$/lb	3.00	2.84	3.50	4.00
Gold Price	US\$/oz	1,550	1,638	1,800	1,800
Exchange Rate (AUD:USD)	\$	0.70	0.63	0.70	0.65
Post-Tax NPV _{5%}	A\$M	501	640	869	1,394
Post-Tax IRR	%	16.2	19.0	23.2	32.0
C1 Cash Costs (after by-products)	US\$/lb	1.38	1.19	1.30	1.18
AISC	US\$/lb	1.60	1.40	1.55	1.44

Financial (base case)

- C1 cash cost of US\$1.38/lb copper and All-In Sustaining Cost (AISC) of US\$1.60/lb
- IRR 16.2% and NPV5% of A\$501M (post tax)
- Pre-production capital cost of US\$410M (A\$585M)
- EBITDA (annualised) of A\$152.7M.

Operational

- Over the first 12 years of production:
 - Average processing rate of 6Mtpa
 - Annual average production of 35,000t copper and 24,000ozs gold
 - A head grade of 0.66% copper and 0.17g/t gold.

Community

- Employing approximately 500-550 during construction and 430 during operations
- Royalties to the State of A\$170M
- Payroll exceeding A\$500M.

TENEMENT SCHEDULES AT 31 DECEMBER 2020

Tenement	Location	Lease Status	Area Type	Current Area	Expiry Date
EL5981	Moonta South	Granted	km ²	108	22/06/2021
EL6100	Moonta South	Granted	km ²	94	16/01/2023
EL6136	Moonta South	Granted	km ²	91	19/03/2022
EL6143	Moonta South	Granted	km ²	51	15/04/2022
EL6189	Moonta South	Granted	km ²	354	01/08/2022
EL6245	Moonta South	Granted	km ²	1,168	01/08/2022
EL6455	Moonta South	Granted	km ²	74	04/11/2021
EL6497	Moonta South	Granted	km ²	509	27/07/2022
EL6515	Moonta South	Granted	km ²	257	20/09/2022
EL6531	Moonta South	Granted	km ²	21	09/06/2022
ML6438	Hillside	Granted	Ha	2,998	15/09/2035
EML6439	Hillside	Granted	Ha	225	15/09/2022
MPL146	Hillside	Granted	Ha	94	15/09/2035

At 31 December 2020, the Hog Ranch Property was made up of a total of 841 lode mining claims located in Washoe County, Nevada. Hog Ranch Minerals Inc (a 100% owned Rex Minerals subsidiary) directly owns 594 Mining Claims (see table below) and controls the remaining 247 Mining Claims through a mining lease with purchase option with Nevada Select Royalty Inc.

Nevada, USA					
Lode Mining Claims	Location	Lease Status	Area Type	Total Area ^a	Date Certified
NHR 1 – 30	Washoe County	Claimed	Ft ²	27,000,000	10/08/2019
NHR 31 – 100	Washoe County	Claimed	Ft ²	63,000,000	28/01/2020
NHR 101 – 232	Washoe County	Claimed	Ft ²	118,800,000	10/07/2020
NHR 233 – 417	Washoe County	Claimed	Ft ²	166,500,000	19/11/2020
GL 1 – 104	Washoe County	Claimed	Ft ²	93,600,000	10/07/2020
GL 105 – 177	Washoe County	Claimed	Ft ²	65,700,000	19/11/2020

^a Total Area comprises the area of each Lode Mining Claim, ie. 1500' x 600'

CORPORATE

Annual General Meeting

The Company's Annual General Meeting (AGM) was held on 27 November 2020. Four resolutions were considered by shareholders, and all four were strongly supported by votes cast. For a copy of the Chairman's Address to the AGM, see Rex's ASX announcement of 27 November 2020.

Retirement of Director

Mitchell H Hooke AM has retired as a Non-Executive Director of the Company. At the time of the announcement (20 October 2020), Rex's Chairman, David Carland, said: "On behalf of the Board, I would like to thank Mitch for his considerable efforts and outstanding contribution over the past five years as a Director. Mitch's compassion, enthusiasm and insight, along with his wide-ranging industry and regulatory experience and his public advocacy across a range of industries and government, have been invaluable to Rex Minerals."

Option Incentive Plan and Hog Ranch Consideration Rights

Following shareholder approval at Rex's 2020 Annual General Meeting, 5,000,000 unlisted options were issued to the Chief Executive Officer on 1 December 2020 under the same terms and conditions contained in the Company's approved Option Incentive Plan. No options have vested or been exercised during the quarter.

The Company also has on issue 20 million Hog Ranch Consideration Rights (HRCR) which convert to Rex shares on the outcome of the following milestones:

- a) 5 million HRCR on announcement by Rex to the ASX by no later than 31 October 2024 on completion of an Inferred Mineral Resource in addition to any Indicated and Measured Mineral Resource in total of 2Moz or higher of contained gold as defined by the 2012 JORC Code with respect to the Hog Ranch Property and has a minimum grade of 0.4g/t of gold in addition to a minimum tonnage of 100 Mt; and
- b) 15 million HRCR on announcement by Rex to the ASX by no later than 31 October 2024 of the Board approving a decision to mine the Hog Ranch Property.

During the quarter, no HRCR were converted or cancelled as the above milestones are yet to be achieved by the Company.

COMMODITY MARKET INSIGHT

The copper price started the December 2020 quarter around US\$2.85/lb and traded slightly above US\$3.60/lb in mid-December, touching US\$3.70/lb in early January 2021 and settling in recent days to around US\$3.50/lb. The gold price began the quarter around the US\$1,900/oz mark, hit a December quarter high of around US\$1,960/oz in early November before ending the quarter just below US\$1,900/oz and in recent days trading around the US\$1,845/oz mark.

Copper

Goldman Sachs (GS) wastes no words when it says that the bull market for copper is now fully underway, adding that "the current price strength is not an irrational aberration. Rather, we view it as the first leg of a structured bull market in copper." GS goes on to say: "we believe it highly probable that by 1H-2022, copper will test existing record highs."

Cannacord Genuity, the global financial services group, sets the tone in reminding us that the copper price defied all expectations in 2020 by delivering a 26% improvement over the year, a 68% lift from its March 2020 low and a 14% increase since the US election for president.

Put simply, Cannacord says: “our preferred commodity exposure is copper, given favourable medium-term supply-demand fundamentals, potential near-term supply side shocks and positive investor sentiment.”

Deutsche Bank (DB) headlines its mid-January outlook by stating: “copper market to remain tight as demand outpaces supply.” Based on its deep-dive analysis, DB sees sustained tightness in the copper market over the short and longer term. Accordingly, DB has raised its 2021-22 copper price target by 20% and its long-term real price by 9%.

Macquarie Research says that copper has been a base metal outperformer since mid-2020 and “we expect the trend to continue into 2021 on global stimulus and electrification . . . with Chinese demand for copper remaining buoyant and the ex-China stimulus ramping up.”

Proactive Investors (PI) headlines its January 2021 online magazine by saying: “move towards electric vehicles and cleaner energy to drive copper prices as major economies work towards zero emissions.” It adds: “copper prices are set to soar as demand for the metal intensifies and as more and more countries press on with plans to turn their economies greener with focus on electric vehicles and clean energy.” It goes on to say: “with China, the world’s biggest automotive market, joining other major economies like the European Union in the push for more electric transportation, it looks like copper is on the verge of a super cycle.”

PI quotes the well-respected CRU Group forecasting that annual global copper mined production is expected to decline from the current 20 Mt to below 12Mt by 2034, resulting in a supply shortfall of more than 15Mt. CRU adds, according to PI, that there will be insufficient new mines in the pipeline to take over the 200 copper mines that are expected to run out of ore before 2035. In the same article, PI reports that Goldman Sachs expects the copper price to hit US\$10,000 per tonne (about US\$4.50/lb), into 2022, for only the second time in history.

Gold

Sprott Inc., the well-regarded Toronto-based global asset manager and services specialist to the resources industry, says that as this new year unfolds, “we see gold continuing to perform well and exhibiting unique characteristics that will further increase gold’s attractiveness in multi-asset portfolios. It says the top indicators to watch in the precious metals space this year include fiscal policy and inflation expectations, policy makers and how they balance capital versus society, volatility movements, bond market distortions, and US money supply growth and its relationship to gold.

In a separate report, Sprott provides some perspective when it reminds us that there is now almost US\$18 trillion of negative-yielding debt in the world, which it says is nearly equal to the size of the US economy. It concludes: “If you don’t hold some gold, silver and other real assets, you should.”

The World Gold Council says in its mid-January report that “we believe investment demand will remain well supported while gold consumption should benefit from the nascent economic recovery, especially in emerging markets.”

Daily FX, an online global news and research group, says a weaker US dollar is guiding gold higher and that retail customers remain “heavily long” in gold. It adds, in an immediate sense, that “the US dollar continues to guide gold and with the new Biden administration promising to keep the printing press going in order to

re-boot the economy, expectations remain that the US dollar will likely weaken further, or at least any upside will be capped.”

Also in an immediate sense, Citi Research is looking for a rebound in gold over the next 3-6 months. While Citi retains its short-term gold price target at US\$1,850/oz and a medium-term price target at US\$2,100/oz, it sees price pressure into 2022. Citi says that with a dovish US Fed backstop following “disappointing” US job data amid a slow US COVID-19 roll-out, “the bid for alternative currencies and precious metals should remain intact on the back of a flat debasement trend.”

SUPPLEMENTARY INFORMATION

Forward-Looking Statements

This announcement contains “forward-looking statements”. All statements other than those of historical facts included in this announcement 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, 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.

Competent Persons’ Statement - Hog Ranch

The information in this report that relates to Exploration Results or Mineral Resources is based on, and fairly reflects, information compiled by Mr Steven Olsen who is a Member of the Australasian Institute of Mining and Metallurgy and an employee of Rex Minerals Ltd. Mr Olsen 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 Olsen consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to mining is based on, and fairly reflects, information compiled by Mr Charles McHugh who is a Fellow of the Australasian Institute of Mining and Metallurgy and an employee of Rex Minerals Ltd. The information in this report that relates to mining is based on, and fairly reflects, information compiled by Mr McHugh. 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 his information in the form and context in which it appears.

The information in this report that relates to metallurgy is based on, and fairly reflects, information compiled by Mr John Burgess who is a Fellow of the Australasian Institute of Mining and Metallurgy and a consultant to Rex Minerals Ltd. Mr Burgess 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 Burgess consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Base Case Assumptions – Bells Project

The Bells Scoping Study (2020) price assumptions are quoted in US dollars and Gold US\$1,550/oz.

Competent Persons' Report – Ore Reserves – Hillside Project

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 – Hillside Project

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 was an employee of Rex Minerals Ltd at that time. 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.

Base Case Assumptions – Hillside Project

The Hillside FS (2020) price assumptions for the life of the operation are Copper US\$3.00/lb; Gold US\$1,550/oz and exchange rate of AUD:USD \$0.70.

CORPORATE INFORMATION

ASX Code: RXM

Issued Share Capital as at 31 December 2020

Ordinary Shares	376,237,586
Options on Issue (Unquoted)	18,433,334
Hog Ranch Consideration Rights (Unquoted)	20,000,000

Share Price Activity for the 31 December 2020 Quarter

Low	12.0c
High	18.5c
Last (29 January 2021)	20.0c

Share Registry

Computershare Investor Services
Yarra Falls, 452 Johnston Street
Abbotsford, Victoria 3067
T: +61 3 9415 4000 (investors)
1300 850 505 (investors within Australia)

Registered Office Mailing Address

68 St Vincent Highway Pine Point, South Australia 5571 T: 1300 822 161 (Australia) +61 3 9068 3077 (International) E: rex@rexminerals.com.au W: www.rexminerals.com.au	PO Box 3435, Rundle Mall Adelaide, South Australia 5000
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For further information, please contact:

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or Kay Donehue, Company Secretary
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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Rex Minerals Ltd

ABN

12 124 960 523

Quarter ended ("current quarter")

December 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(1,308)	(2,686)
(b) development	-	-
(c) production	-	-
(d) staff costs	(512)	(1,003)
(e) administration and corporate costs	(229)	(524)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	8	17
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	18	59
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(2,023)	(4,137)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	10	13
(d) investments	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	10	13

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	873	10,873
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	56
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(71)	(616)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	802	10,313

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	10,447	2,990
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(2,023)	(4,137)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	10	13
4.4 Net cash from / (used in) financing activities (item 3.10 above)	802	10,313

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(235)	(178)
4.6	Cash and cash equivalents at end of period	9,001	9,001

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	9,001	10,447
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	9,001	10,447

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	149
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Payments at Item 6.1 relate to remuneration payments for Directors for the quarter.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	4,400	4,400
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 Total financing facilities	4,400	4,400
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
A secured loan facility to the value of \$4.4m was entered into in March 2020, via a group of 12 lenders including 4 Directors at an interest rate of 10%, maturing March 2022, following an extension being granted by the lenders.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(2,023)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(2,023)
8.4 Cash and cash equivalents at quarter end (item 4.6)	9,001
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	9,001
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	4.45
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 1 February 2021



Authorised by: Kay Donehue, Company Secretary
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, 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. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.