



ABN 12 124 960 523

ASX Release: 31 October 2017

## Quarterly Activities Report for the period ended 30 September 2017

T +61 (0)8 8299 7100  
P PO Box 3435 Rundle Mall  
South Australia 5000  
E [rex@rexminerals.com.au](mailto:rex@rexminerals.com.au)  
W [www.rexminerals.com.au](http://www.rexminerals.com.au)

### HIGHLIGHTS

- Rex Minerals (Rex or the Company) has submitted the Hillside Copper-Gold Project Social Management Plan to the South Australian Government.
- At the request of Rex Minerals and the local community, and in the interest of a robust process, the SA Government has extended the date for submission of the Hillside Program for Environment Protection and Rehabilitation (PEPR) to 26 February 2018.
- Community consultation in respect of the PEPR is ongoing. Rex is confident it will deliver the PEPR before the 26 February date.
- Rex's Annual General Meeting of Shareholders is set for 24 November 2017. Shareholders are encouraged to attend.

### CORPORATE

Rex's Annual General Meeting of Shareholders will be held at the offices of Baker McKenzie, level 19, 181 William Street, Melbourne at 11.00am on Friday 24 November 2017. The Directors and Senior Management of Rex look forward to meeting shareholders at this meeting.

Shareholders are encouraged to attend the AGM and support (in person or by proxy) the two resolutions under consideration. Further information about the AGM and the resolutions is available on Rex's website and has been lodged with the Australian Securities Exchange (ASX).

On 14 September 2017, Rex's Annual Report to Shareholders along with the Company's Corporate Governance Statement were lodged with the ASX. Both are also available on Rex's website.

Cash at the end of the quarter was \$4.02M.

### HILLSIDE PROJECT

#### Program for Environment Protection and Rehabilitation (PEPR)

Rex holds an approved Mining Lease<sup>1</sup> (ML) for the Hillside Copper-Gold Project near Ardrossan, Yorke Peninsula, South Australia.

In early 2017, the South Australian Government's Department of Premier and Cabinet – mining regulatory branch (DPC) provided an updated assessment report on the revised Hillside Project, confirming that it believed the Project can be operated in compliance with the existing ML, EML and MPL<sup>2</sup> conditions, and noting areas where some additional information will be required in the submission of the PEPR.

On 18 September 2017, Rex advised that it had submitted the Hillside Social Management Plan (SMP) to the DPC and that the DPC had issued Rex with an interim extension for submission of the PEPR until 2 October. On that date, Rex advised that the DPC had extended the date for PEPR submission to 26 February 2018.

The extension was granted following a formal request by Rex and by the local community which had requested that Rex seek the extension.

Within this revised PEPR timeframe, the Company and community need to consider a wide range of operational planning aspects and proposed monitoring plans within a process that allows robust feedback to ensure the integrity of the PEPR and of community engagement for both the PEPR and the Hillside Project.

Rex continues to meet regularly with the DPC to review progress and secure feedback on the PEPR documentation and plans. The DPC is also co-ordinating review of PEPR information by other SA Government groups.

Rex is confident that it will deliver the PEPR before the 26 February 2018 date.

#### Community Engagement

During the September quarter, Rex continued to meet and engage with community members in the Hillside Project region, both through the Hillside Mine Community Voice (HMCV) group and directly with local landowners, townspeople, and regional local and government groups.

As a community representative group, the HMCV is actively assisting to co-ordinate review of Rex's draft PEPR Management Plans through meetings of various HMCV working groups and through public meetings which are ongoing.

On 15 September 2017, and as mentioned earlier, Rex completed and submitted the SMP to the DPC. This plan covers the areas of potential benefit to the region from the proposed mine including regional business development, local and regional employment, community relations and communication. The final form of the SMP involved feedback from a series of meetings with government as well as regional and business organisations.

---

<sup>1</sup> The Mining Lease comprises the ML, EML and MPL

<sup>2</sup> ML – Mineral Lease 6438; EML – Extractive Minerals Lease 6439; MPL – Miscellaneous Purposes Licence 146

### COMMODITY MARKET INSIGHT

In a very recent report, Macquarie Wealth Management summarised the outlook for copper as “dull nearby, dramatic future.”

Macquarie described the recent downward price correction for copper as fair, adding that “. . . we see another couple of years of mild over-supply which . . . should push prices back into the cost curve. Further out, however, a new decade of deficits beckons, with insufficient mine project investment colliding with robust demand – even ahead of meaningful demand changes at the hands of the EV (electric vehicle) revolution.”

In its September 2017 quarterly report on resources and energy, the Office of the Chief Economist of the Australian Government reminds us that Australia is the seventh largest producer of copper in the world and the third largest exporter of copper ores and concentrates.

Australia’s Chief Economist has a similar outlook to the Macquarie review in saying that “copper prices are expected to decline . . . in 2018 as a result of firm growth in mine supply, and then rebound as consumption growth outpaces supply in 2019,” adding that “an acceleration in demand for electric cars and renewable energy globally will lead to stronger growth in copper consumption.”

The Chief Economist is of the view that “higher copper consumption will be supported by firm growth in global industrial production and higher investment in energy infrastructure.”

Finally, “China’s copper consumption – which accounts for 50 per cent of global demand – is expected to increase over the outlook period (through to 2019) driven by investment in the nation’s power grid and firm growth in the construction and manufacturing sectors.”

As an observation from Rex management, we will hear a lot more about these programs and their impact on copper demand in the form of China’s aggressive infrastructure development program known as the “Belt and Road initiative”.

#### Tenement Schedule for the quarter ending 30 September 2017

Tenement	Location	Lease Status	Area Type	Current Area	Date
EL5056	Moonta South	Granted	km <sup>2</sup>	416	02/08/2012
EL5055	Moonta South	Granted	km <sup>2</sup>	1,262	02/08/2012
EL5683	Moonta South	Granted	km <sup>2</sup>	21	10/06/2015
EL5508	Moonta South	Granted	km <sup>2</sup>	74	07/12/2016
EL5981	Moonta South	Granted	Km <sup>2</sup>	122	23/06/2017
EL5133	Wandearah	Granted	km <sup>2</sup>	72	01/08/2012
EL5883	Wandearah	Granted	km <sup>2</sup>	29	13/10/2016
EL5070	Cowell	Granted	km <sup>2</sup>	42	28/10/2016
ML6438	Hillside	Granted	Ha	2,998	16/09/2014
EML6439	Hillside	Granted	Ha	225	16/09/2014
MPL146	Hillside	Granted	Ha	94	16/09/2014

### NEXT QUARTER

During the next quarter, Rex will continue to progress documentation for the PEPR submission. The Company will also maintain its important community and government consultation process, with an emphasis on the Yorke Peninsula community.

---

### CORPORATE INFORMATION

**ASX Code: RXM**

#### Issued Share Capital 30 September 2017

Ordinary Shares	220,519,784
Options on Issue (Unquoted)	16,800,000

#### Share Price Activity for the September Quarter

Low	5.1c
High	8.0c
Last (30 October 2017)	7.1c

#### Share Registry

Computershare Investor Services  
Yarra Falls, 452 Johnston Street  
Abbotsford, Victoria 3067

T: +61 3 9415 4000 (investors)

T: 1300 850 505 (investors within Australia)

#### Registered Office

Level 19, 11 Waymouth Street  
Adelaide, South Australia 5000

T: +61 8 8288 7100

E: [rex@rexminerals.com.au](mailto:rex@rexminerals.com.au)

#### For further information, please contact:

Richard Laufmann, Chief Executive Officer

T: +61 8 8299 7100

E: [rex@rexminerals.com.au](mailto:rex@rexminerals.com.au)

#### For media/investor relations, please contact:

Gavan Collery

T: +61 419 372 210

E: [gcollery@rexminerals.com.au](mailto:gcollery@rexminerals.com.au)

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

**Name of entity**

Rex Minerals Ltd

**ABN**

12 124 960 523

**Quarter ended ("current quarter")**

September 2017

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(557)	(557)
(b) development	-	-
(c) production	-	-
(d) staff costs	(544)	(544)
(e) administration and corporate costs	(343)	(343)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	27	27
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,417)</b>	<b>(1,417)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(3)	(3)
(b) tenements (see item 10)	-	-
(c) investments	-	-

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
(d) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) 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)	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(3)</b>	<b>(3)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
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)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	5,440	5,440
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,417)	(1,417)

## Mining exploration entity and oil and gas exploration entity quarterly report

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(3)	(3)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>4,020</b>	<b>4,020</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	4,020	5,440
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (current quarter should equal item 4.6 above)</b>	<b>4,020</b>	<b>5,440</b>

**6. Payments to directors of the entity and their associates**

6.1 Aggregate amount of payments to these parties included in item 1.2

6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

<b>Current quarter \$A'000</b>
129
-

<b>7. Payments to related entities of the entity and their associates</b>	<b>Current quarter \$A'000</b>
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

<b>8. Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	(461)
9.2 Development	-
9.3 Production	-
9.4 Staff costs	(473)
9.5 Administration and corporate costs	(314)
9.6 Other (provide details if material)	-
<b>9.7 Total estimated cash outflows</b>	<b>(1,248)</b>



## Mining exploration entity and oil and gas exploration entity quarterly report

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

### 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.

Sign here:



Company secretary

Date: 31 October 2017

Print name: KAY DONEHUE

### 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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.