

HEAD OFFICE

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ASX Release: 29 April 2015

Quarterly Activities Report - for the period ended 31 March 2015

ASX Code: RXM

Cash on hand: A\$12.7M

Shares on Issue: 220.5M

Options on Issue: 640K

Market Capitalisation: A\$18.9M

Share price range in quarter: 8.4c to 14.5c

Website: www.rexminerals.com.au

*Richard Laufmann appointed
Managing Director*

*Extended Feasibility Study near to
completion – results in the June
2015 quarter*

For further information, please contact:

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HIGHLIGHTS

- Rex Minerals (Rex) is focused on concluding the Extended Feasibility Study (EFS) and expects this will reposition the Hillside Project as an initial 6Mtpa copper-gold development with financials to support an investment decision.
- Richard Laufmann is appointed Managing Director and CEO, to lead Rex beyond the completion of the study process and into the next stage of the Company's development.
- Rex is making solid progress with the EFS for Hillside, with the bulk of work to lock down capital and operating costs for both mining and processing largely complete.
- The EFS work to date indicates that a reduction in capital along with an increase in head grade can be achieved.

SUMMARY COMMENTS

After an extensive review of the options available to reduce capital costs and improve the operating cash flows from the Hillside Project in South Australia, Rex has made solid progress with the design and costings associated with a 6Mtpa copper-gold start-up.

Results to date from the EFS show improvements in copper-gold grade whilst a complete rework of the mine plan has had a positive impact on the operating cost base and cash flows.

OUTLOOK

Results from the EFS are expected to be released in the June 2015 quarter.

HILLSIDE PROJECT

Extended Feasibility Study

Work continued on the EFS, with the goal to reduce the up-front capital requirement whilst sustaining positive annual cash-flow in a lower metals price environment. After a full review of the opportunities and challenges to achieve this, the decision was made in late 2014 to develop the project in stages, with initial production feeding a 6Mtpa copper-gold-only processing plant. This staging approach does not prevent any future expansion, including the option to reinvest in iron ore concentrate production should prices recover.

EFS work completed during the March 2015 quarter included:

- Design and costing of the 6Mtpa processing plant and associated capital and operating costs. This work included allowance for expansion to a larger capacity (circa 12Mtpa) processing plant, including the future recovery of an iron ore concentrate.
- Detailed design and scheduling of the mining profile, optimising the production of copper-gold. The new design no longer emphasises economy of scale and bulk material movement, but balances the following broad objectives:
 - delivering a 6Mtpa copper-gold operation (lower up-front capital requirement);
 - increasing the head grade to the processing plant through selective mining;
 - early accessing of higher grade zones to balance cash flow; and
 - minimising the cost of waste rock movement through equipment selection and improvements from re-optimised overburden and waste rock storage.

Overall, the EFS work to date indicates that the goals of delivering a vastly simplified mine design and layout with a significantly smaller footprint and reduced operational complexity can be achieved. Along with a smaller and simpler Stage One copper-gold processing plant, other benefits that would be delivered upon confirmation of the EFS work are a much lower initial capital requirement and lower overall operational risk. The work program associated with the EFS is now being locked down, with final details to be confirmed and reported in the June 2015 quarter.

Tenement Schedule for the quarter ending 31 March 2015

Tenement	Location	Lease Status	Area Type	Current Area	Date
EL5056	Moonta South	Granted	km ²	416	2/08/2012
EL5055	Moonta South	Granted	km ²	1262	2/08/2012
EL4514	Moonta South	Granted	km ²	24	10/06/2010
EL5508	Moonta South	Granted	km ²	151	5/11/2014
EL5133	Wandearah	Granted	km ²	96	1/08/2012
EL4779	Wandearah	Granted	km ²	81	13/10/2011
EL5070	Cowell	Granted	km ²	85	24/10/2012
ML6438	Hillside	Granted	Ha	2998	16/09/2014
EML6439	Hillside	Granted	Ha	225	16/09/2014
MPL146	Hillside	Granted	Ha	94	16/09/2014

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CORPORATE

The Company has announced the appointment of Richard Laufmann to the role of Managing Director and Chief Executive Officer, effective 23 April 2015. David Carland will now step down as Executive Chairman and resume the role of Non-Executive Chairman.

Cash at the end of the March 2015 quarter was \$12.7M. Cash outflows for the March 2015 quarter were \$1.0M – lower than forecast. This reduction in forecast expenditure relates to refunds receipted from the Australian Taxation Office of approximately \$500K and timing of cash outflows that will now be paid in the June 2015 quarter. Net cash outflows for the June 2015 quarter are estimated to be \$2.2M. Following the completion of the residual external study programs, future expenditure beyond the June 2015 quarter is likely to reduce.

The Company advises that 640,000 employee options at an exercise price of \$1.20 will expire on 30 April 2015.

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")

31 March 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(804)	(6227)
1.3 Dividends received	(763)	(3,595)
1.4 Interest and other items of a similar nature received	27	431
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (ATO Refund)	528	528
	(1,012)	(8,863)
Net Operating Cash Flows		
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	-	(1)
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets	-	22
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
	-	21
Net investing cash flows		
1.13 Total operating and investing cash flows (carried forward)	(1,012)	(8,842)

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,012)	(8,842)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(1,012)	(8,842)
1.20	Cash at beginning of quarter/year to date	13,760	21,590
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	12,748	12,748

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

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	317
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

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Non-cash financing and investing activities

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

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

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+ See chapter 19 for defined terms.

Financing facilities available

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation (including feasibility studies)	1,371
4.2 Development	
4.3 Production	
4.4 Administration	874
Total	2,245

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	3,248	7,260
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other (term deposits)	9,500	6,500
Total: cash at end of quarter (item 1.22)	12,748	13,760

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Changes in interests in mining tenements and petroleum tenements

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

Issued and quoted securities at end of current quarter

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	220,519,784	220,519,784	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs			
7.5	+Convertible debt securities			

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>(description and conversion factor)</i>	640,000	- -	<i>Exercise price</i> \$1.20	<i>Expiry date</i> 30/4/2015
7.8	Issued during quarter	-	-	-	
7.9	Exercised during quarter	-	-	-	
7.10	Expired during quarter	-	-	-	
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

Compliance statement

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



Sign here:

Company Secretary

Date: 29 April 2015

Print name: Rosalie Bolingbroke

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

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

- 2 The “nature of interest” (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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