# Hog Ranch Gold Trend extended

**ASX Release: 19 December 2022**

## Regional surveys & drilling results completed


**Rex Minerals Limited**
ASX: RXM | OTCQB: RXRLF
ABN 12 124 960 523




| | |
|---|---|
| **Ordinary Shares on Issue** | 592,787,587 |
| **Unquoted Options** | 21,113,334 |
| **Hog Ranch Consideration Rights** | 15,000,000 |

**Share Price Activity – September 2022 Quarter**

| | |
|---|---|
| Low | 13.0c |
| High | 25.0c |
| Last | 20.0c |

**Cash & cash equivalent**
$36.5M at 30 September 2022


T 1300 822 161 (Australia)
T +61 3 9068 3077 (International)
PO Box 3435 Rundle Mall,
South Australia 5000

E rex@rexminerals.com.au
W www.rexminerals.com.au


## New regional surveys support large Gold Trend

- Rex Minerals continues to evaluate its 100%-owned Hog Ranch Gold Property (Hog Ranch) in Nevada USA
- Key gold pathfinder element results suggest that a large-scale trend extends from the Krista to Gillam Prospects for a total strike length of over 16km (*Figure 1*)
- New geophysical surveys over Gillam highlight multiple new hidden and previously unrecognised targets with cross cutting features (*Figure 2*).

## Assay results from 2022 drilling received

- Results received from Airport and Bells Projects, targeting new extensions
- Best result from Bells confirms extensions to a higher-grade controlling structure which was targeted from recent gold in soil results:
  - **Drill hole HR22-013 returned 32.0m @ 0.71g/t gold (Au)** from 3.0m including:
    - **6.1m @ 2.03 g/t Au** from 10.7m.

***"At an early stage we recognised that a large-scale Gold Trend was emerging. This interpretation continues to be supported as each exploration phase is completed.***

***"Our drilling also continues to grow the gold footprint beyond the current defined 2.26Moz Mineral Resource (see Rex ASX announcement of 23 March 2021), with the main structure at Bells expanding further."***

***– Richard Laufmann, CEO and MD, Rex Minerals.***

## Regional Survey Results

Rex Minerals Ltd (Rex or the Company) completed orientation soil sampling surveys in late 2021 (see Rex ASX announcement of 30 March 2022) which highlighted the effectiveness of a modern and consistent soil sampling process when compared with the older soil sampling data undertaken by previous explorers at Hog Ranch.

This prompted Rex to undertake a new large-scale soil sampling program based on XRF analysis for key gold pathfinder elements and conduct laboratory-based gold analysis. It is recognised that some pathfinders provide a better indicator of the gold system as they can exist at shallow levels within an epithermal system above the potential gold position where the gold is not exposed on the surface.

The regional soil survey comprised:

- a total of over 8,000 samples
- samples collected over a 79km$^2$ area
- survey completed over a period of four months.

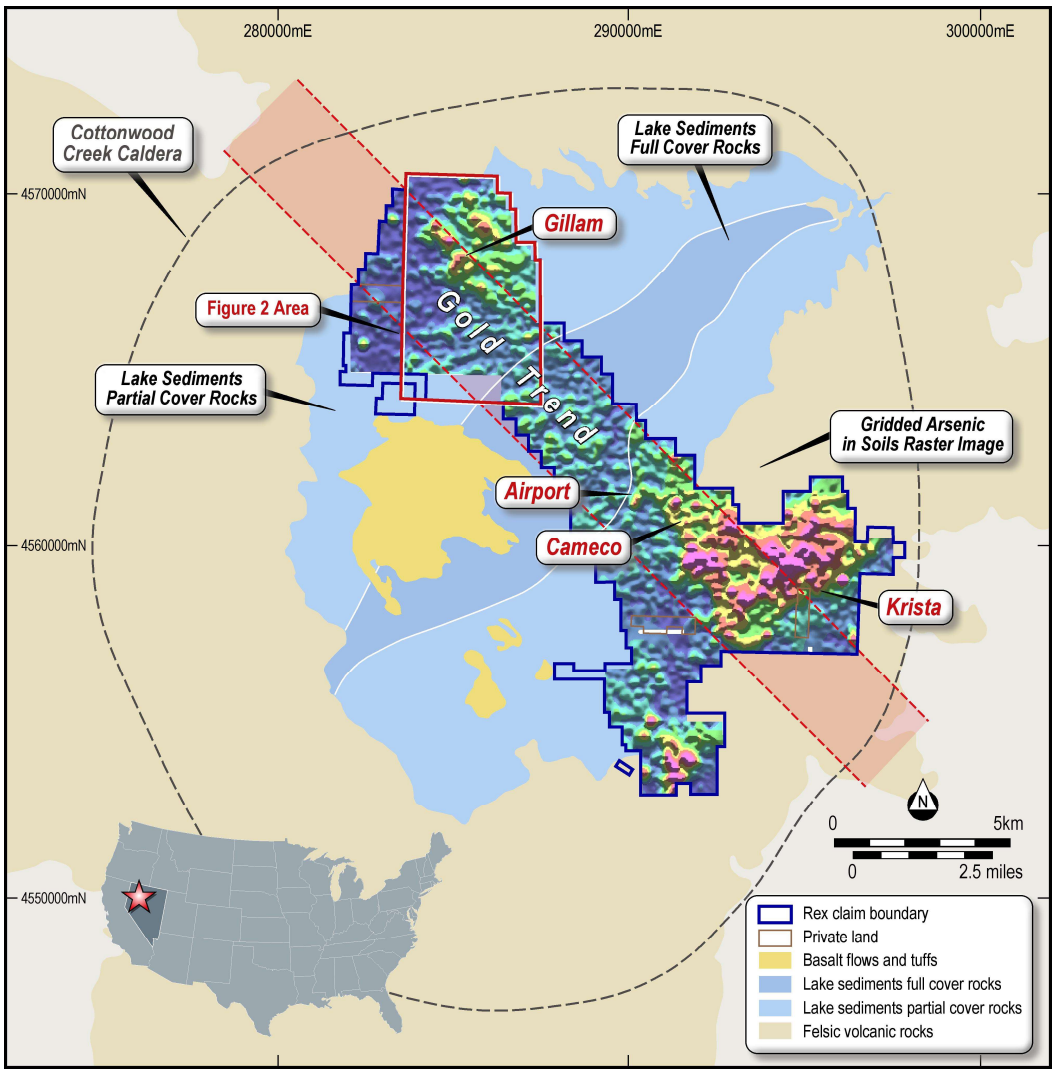



**Figure 1:** Regional plan view map of Hog Ranch with the results from a key pathfinder element Arsenic.

The results from the pathfinder elements, particularly Arsenics (As), have shown a strong overall north-west trend to the anomalism. This trend appears to be very strong over the Krista Project area, where the host rocks are well exposed The trend has a more subtle response where there are partial cover rocks up to the Airport deposit. This pattern is then hidden by deeper cover rocks, before further partial exposure at the Gillam Prospect area shows a similar trend which lines up directly with the projected trend from the Krista to Airport area (see *Figure 1*).

It has been noted in the reports from historical open pit mining at Hog Ranch (Bussey, 1996), that a combination of north-east, north-west and due north orientated faults appears to have some control on the location of the gold mineralisation at Hog Ranch. These features identified on a smaller scale within the open pit mines are also reflected in many of the major regional datasets, which include magnetic imagery, radiometric data and now also the regional soil sampling data.

Considering that the trend likely continues underneath the deeper cover rocks, this would imply a total strike length of some 16km for a large-scale Gold Trend for which the combined historical mining (300kozs) and current Mineral Resource (2.26Mozs) represents less than 20% of the target surface area. In addition, the historical mining and current drilling information has very rarely exceeded 100m beneath the surface for any part of this emerging Gold Trend. Epithermal gold systems can extend over a significant depth range, with the vertical scale often exceeding 500m.

Rex interprets that the combined datasets will greatly assist with targeting over a large area for drill-ready future exploration campaigns.

Further to the regional soil sampling, Rex has also completed a gravity survey focused on the Gillam Prospect to identify major breaks or trends which may also line up prospective faults that appear in the magnetic data and soil sampling data. Rex interprets that the large deep-seated structures which may be important to the development of the gold mineralisation could be reflected in the gravity data.

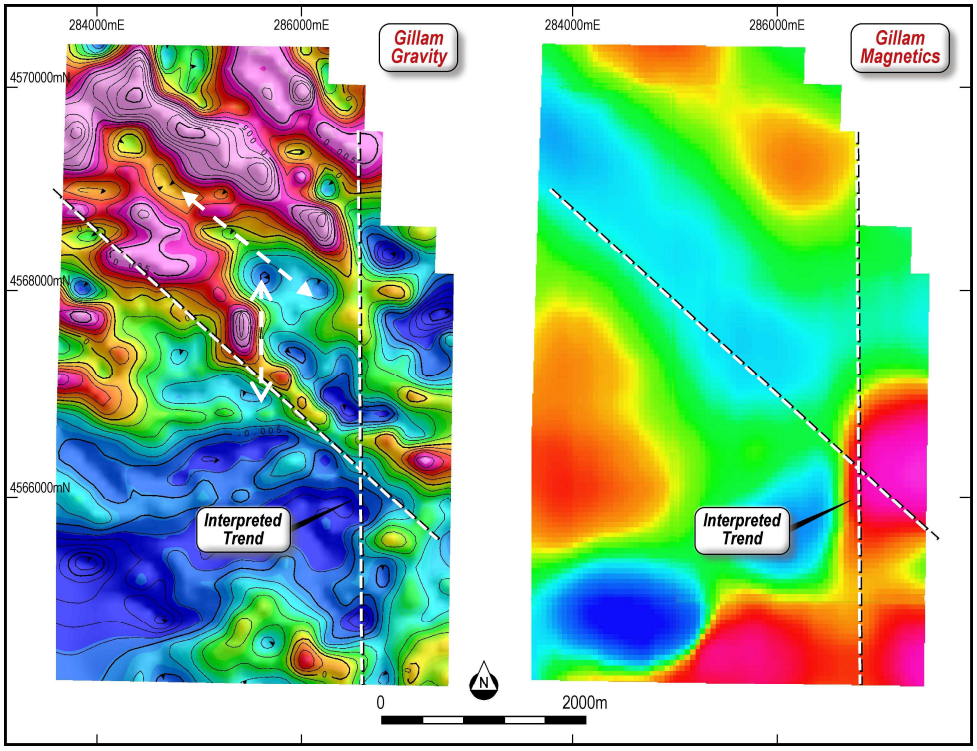



**Figure 2:** Results from recent Gillam gravity survey (left) compared with the magnetic survey (right).

## RC drilling results - 2022

After some delays due to a change in the drilling contractor at Hog Ranch, the drilling for 2022 was completed at Airport and at Bells in September. Final assay results have now been received from all drilling programs. Drilling at Airport (*Figure 3*) was designed to test for extensions to earlier drill intersections which were originally targets from geophysical 3D Induced Polarisation information. Assay results from Airport contained some significant gold anomalism with broad intervals from drill holes HR22-007 and HR22-008 averaging 0.3g/t gold (see *Table 1*).

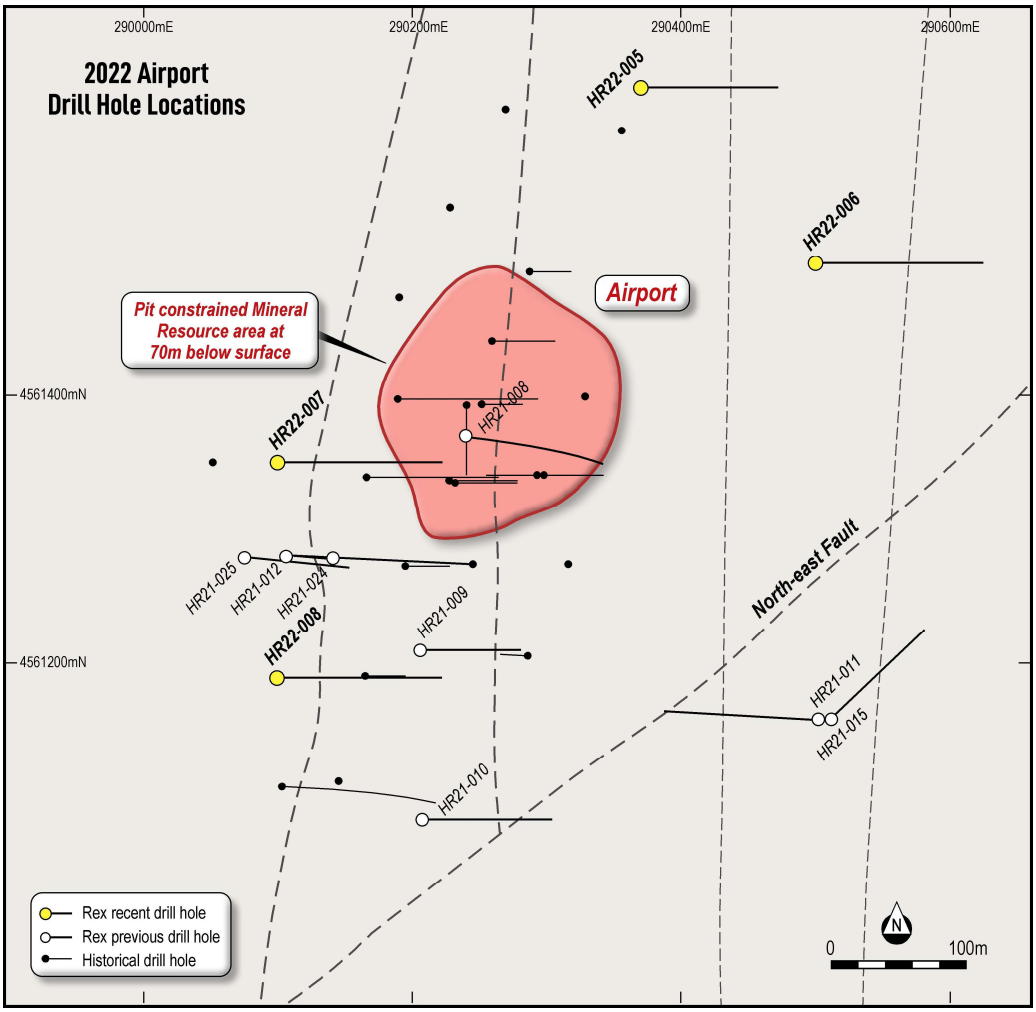



**Figure 3:** Drill hole locations for the 2022 RC drilling program at Airport.

At the Bells Project, Reverse Circulation (RC) drilling tested a number of possible extensions to the south over alteration and hyperspectral features and the north-west over a gold soil anomaly which exists along the interpreted strike of a controlling structure (*Figure 4*).

The results on the main north-west structure at Bells appear to confirm the position of the structure at a shallow position. This structure may have deeper roots that remain untested (*Figure 5*). This structure is now inferred to be mineralised over a lateral distance of over 700m and is believed to host higher-grade positions at favourable inflection points. These inflections remain untested.

A summary of results relating to the Airport and Bells drilling is shown in Table 1.

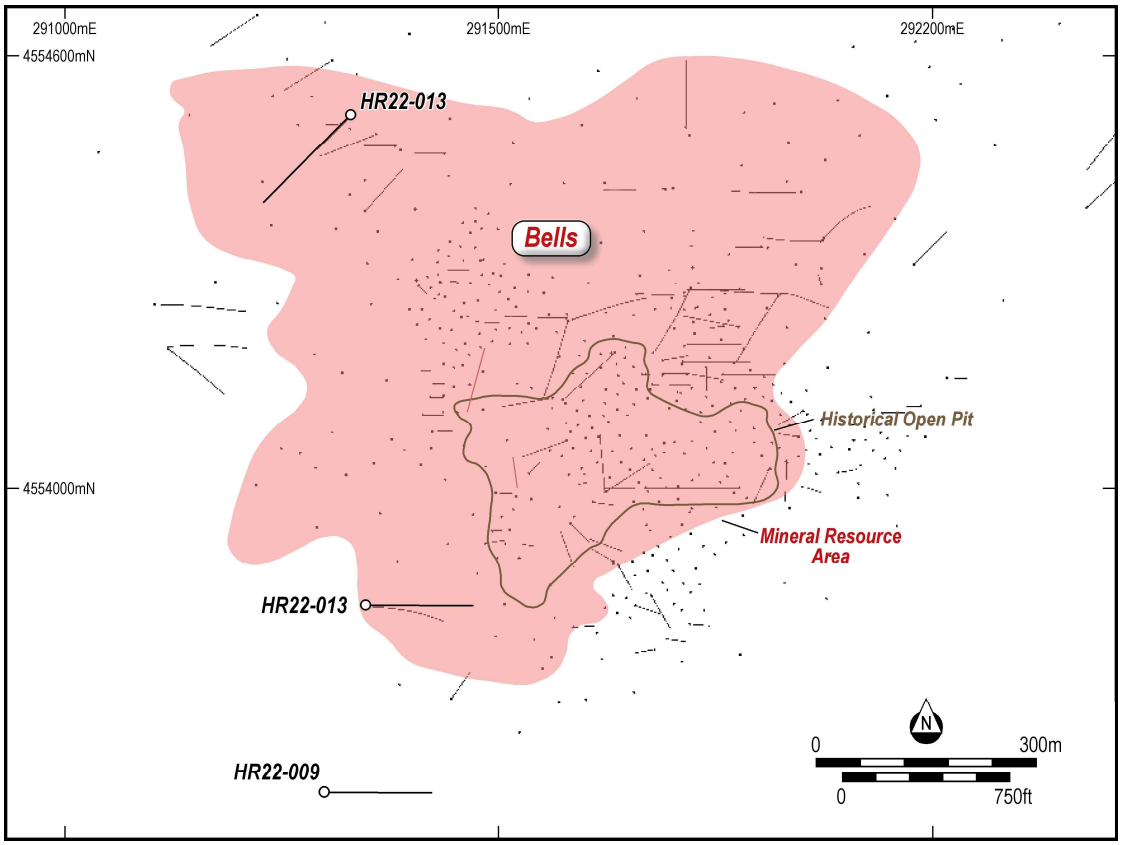



**Figure 4:** *Drill hole locations for the 2022 Bells RC drilling.*

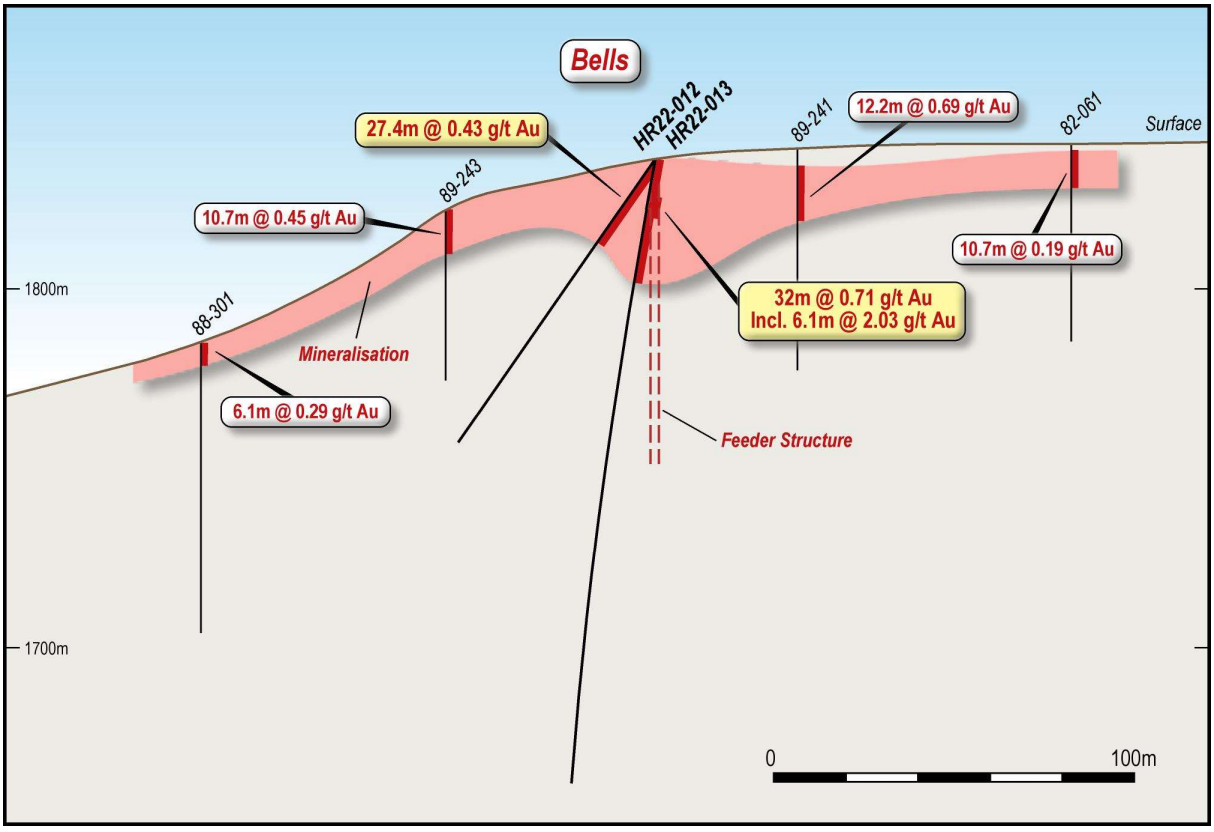



**Figure 5:** *Bells cross section highlighting the interpreted location of a controlling mineralised fault which cuts through the central position of the Bells Project in a north-west direction.*

| Drill Hole Number | From (m) | To (m) | Down-hole Length (m) | Average Gold Assay (g/t) |
|---|---|---|---|---|
| HR22-007 | 76.7 | 89.9 | 15.2 | 0.30 |
| HR22-008 | 88.4 | 123.4 | 35.0 | 0.30 |
| HR22-012 | 1.5 | 29.0 | 27.4 | 0.43 |
| HR22-013 | 3.0 | 35.1 | 32 | 0.71 |
| *Including* | *10.7* | *16.8* | *6.1* | *2.03* |

***Table 1:*** *Summary of significant gold intersections from all drill holes completed in 2022 Airport and Bells which are the subject of this release. See Figures 3 and 4 for the relative location of the drill holes compared against the existing Mineral Resource area.*

This announcement has been authorised for release by the Company's Chief Executive Officer.

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

Peter Bird
EGM Investor Relations & Business Development
**T** +1300 822 161 or +61 3 9068 3077
**E** 'rex@rexminerals.com.au'

Media Enquiries:
Gavan Collery
**T** +61 419 372 210
**E** 'gcollery@rexminerals.com.au'

## COMPETENT PERSON'S STATEMENT

The information in this announcement for the Hog Ranch Property that relates to Exploration Results, Exploration Targets 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.

### 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, 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".

## References

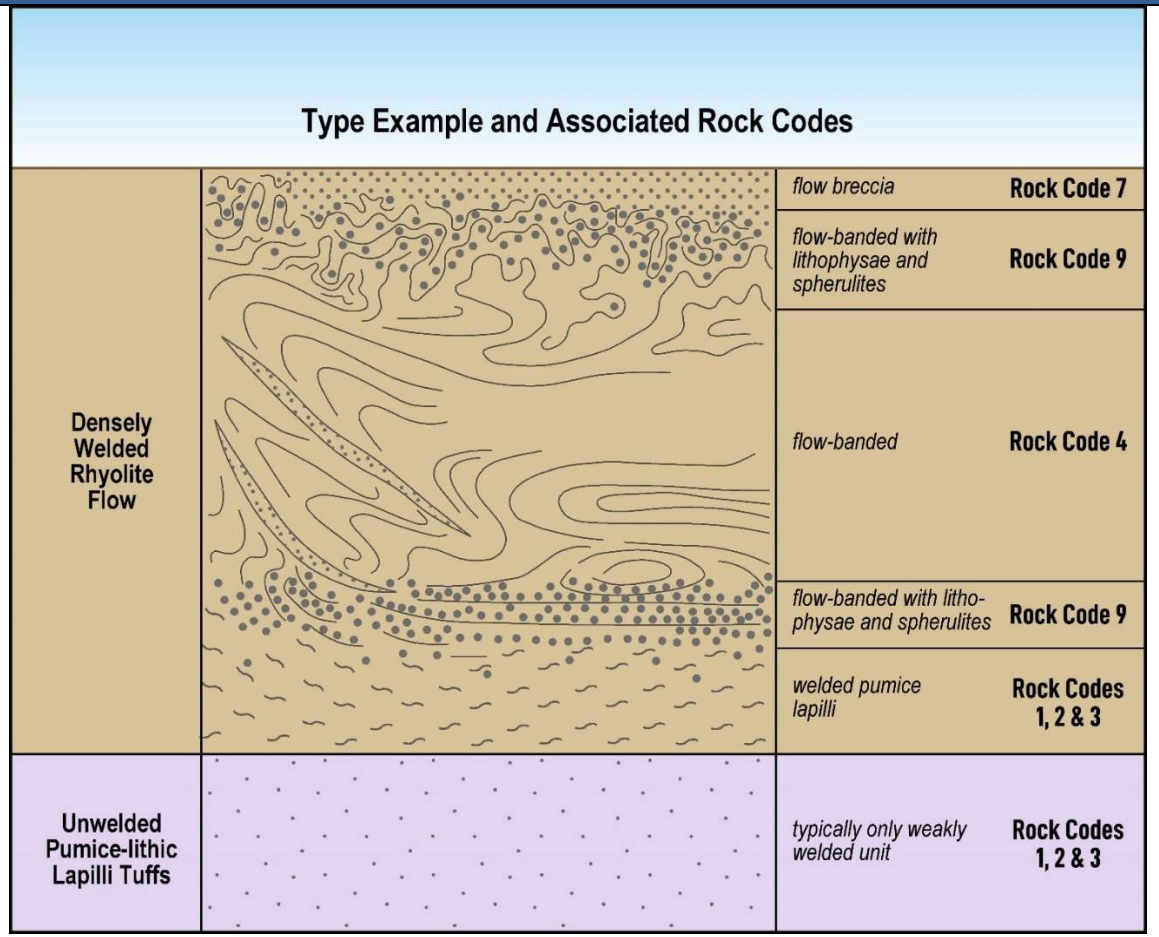
Bussey, S.D., 1996. Gold mineralisation and associated rhyolitic volcanism at the Hog Ranch District, northwest Nevada , in Coyner, A.R., and Fahey, P.L. eds., Geology and Ore Deposits of the American Cordillera: Geological Society of Nevada Symposium Proceedings, Reno/Sparks, Nevada, April 1995., p. 181-207.

## JORC Code, 2012 Edition – Table 1 Report

### Section 1 Sampling Techniques and Data

| Criteria | Commentary |
|---|---|
| Sampling techniques | **RC Drilling**<br>Sample intervals were taken over 5-foot intervals (1.52m) which were collected after separation of the sample using a rotary splitter situated at the base of the cyclone. The sample was split into three exit points for the following: primary sample, duplicate sample and remaining rejected material, from which a sample of rock chips were collected for geological logging. Water is injected at the head of the drill string at the hammer to supress dust.<br>The individual drill rod length is 10 feet. After the addition of a new drill rod (after the collection of two 5-foot samples) the total return column is flushed to prevent spill over and contamination into subsequent samples down the drill hole. The rods would routinely be held static and flushed for a period of 4 to 5 minutes after the addition of each drill rod. The time taken to flush the return column is considered more than adequate to prevent contamination for subsequent samples given the relatively short total length of all the drilling completed in the reported RC drilling program.<br>Regular standards and blanks, including pulp standards and unrecognisable waste rock blanks, were routinely placed throughout the samples for each drill hole. A review of the results from all standards and blanks did not identify any evidence that there was contamination between samples as a result of the sampling techniques conducted at the drill rig. Sample weights collected as the primary sample typically exceeded 2.0kg which were subsequently pulverised to produce a 30g charge for fire assay at the laboratory.<br>**Soil Sampling**<br>Soil samples of up to 1kg in total weight were taken at approximately 10 to 20 cm below the surface and sieved in the field to 10 mesh (2mm) and placed in a pre-numbered sample bag. |
| Drilling techniques | Drilling was completed using Reverse Circulation (RC) drilling utilising double wall drill pipe, interchange hammer and 4¾ inch hammer bits to drill and sample the rock formation. |
| Drill sample recovery | Drill sample recovery was found to be variable which is likely to be due to the effects of clay alteration, and occasionally alternating sections of harder siliceous material. With particular reference to the drill holes referenced in this announcement, approximately 40% of all samples were considered underweight (<1kg) with poor sample capture. The low weight samples are typically in clay rich zones and spread between lower-grade and some higher-grade intervals, with no defined bias relative to the gold grade. Despite the poot sample capture in some locations, the distribution of gold is supported by regular gold grades with distinct boundaries throughout the drill hole. |

<table>
<tr><th>Criteria</th><th>Commentary</th></tr>
<tr><td>Logging</td><td>
The major rock units and alteration characteristics at Hog Ranch were identified from substantial earlier work and technical studies completed largely by Western Mining Corporation (WMC). Based on what was observed from the original paper drilling logs prior to 1986 just prior to the commencement of mining, a standard rock code and alteration code system was established for rock chip and core logging at Hog Ranch (Table 2).<br><br>
For the purpose of consistency with this earlier system, the 2022 RC drilling program also adopted the same logging system for entry into the Hog Ranch database.<br><br>
Table 2: Sample legend for drill hole logging information recorded from 1986 up to 1991 by Western Hog Ranch and WMC, which makes up 80% of the drill hole database.
<table>
<tr><th>Rock Code</th><th>Definition</th><th>Alteration Code</th><th>Definition</th><th>Oxidation Code</th><th>Definition</th></tr>
<tr><td>1</td><td>Lithic tuff/clastic</td><td>1</td><td>Silicified</td><td>Blank</td><td>Oxidised</td></tr>
<tr><td>2</td><td>Pumice rich tuff</td><td>2</td><td>Bleached silica</td><td>0</td><td>Unoxidised</td></tr>
<tr><td>3</td><td>Ash fall tuff</td><td>3</td><td>Argillic</td><td>1</td><td>Oxidized Breccia</td></tr>
<tr><td>4</td><td>Laminated tuff</td><td>4</td><td>Opaline</td><td>2</td><td>Unoxidised Breccia</td></tr>
<tr><td>5</td><td>Tuff/rdd qtz grains</td><td>5</td><td>Sponge</td><td>3</td><td>Oxidised qtz sul</td></tr>
<tr><td>6</td><td>Tuff w/quartz eyes</td><td>6</td><td>Silica rich w/clay</td><td>4</td><td>Unoxidized qtz sul</td></tr>
<tr><td>7</td><td>Basal bx</td><td>7</td><td>Clay rich /silica</td><td></td><td></td></tr>
<tr><td>8</td><td>Clay</td><td>8</td><td>Bleached argillic</td><td></td><td></td></tr>
<tr><td>9</td><td>Spheroidal tuff</td><td>9</td><td>Unaltered</td><td></td><td></td></tr>
</table>
Where logging information is available, this has been placed into the Rex database and used to define the broad boundaries between the major flow banded units.<br><br>
The typical textures of a welded rhyolite flow and unwelded tuff units from within the Cañon Rhyolite can be characterised as shown in Figure 6. The associated Rock Codes that apply to each portion of the idealised sequence are also identified in Figure 6.
</td></tr>
</table>

| Criteria | Commentary |
|---|---|
| |  <br>**Figure 6:** *Schematic diagram showing an idealised sequence of textures observed for a welded rhyolite flow and underlying unwelded tuff unit. Rock codes used to interpret the individual rhyolite flows and major unwelded tuff units are also identified.* |

| Criteria | Commentary |
|---|---|
| Sub-sampling techniques and sample preparation | **RC Drilling**<br>Drill cuttings were discharged from the cyclone into a rotating splitter. Cuttings exit the splitter into three exit points with both a primary and secondary field sample collected directly into a sample bag which was fitted onto a collection bucket. A small portion of the rock chips for each 5-foot interval was placed into chip trays for record keeping and geological logging. This process was repeated for each interval, with the sample bags replaced after each 1.52m (5 feet) interval.<br>After collection of the samples and drying at the laboratory (American Assay Laboratory (AAL) in Sparkes, Reno), the samples were initially crushed to 70% passing 2mm before separation of a 250gm sample using a riffle splitter.<br>The crushed 250gm sample was pulverised to better than 85% passing 105 microns and a 30g pulp sub sample was used for the analysis.<br>**Soil Sampling**<br>Samples were placed directly into a pre-numbered plastic bag at the site location. The samples were allowed to dry and sieved further down to 80mesh prior to analysing via portable XRF (pXRF; Olympus Innov-X, Delta DP4000) for various multi-elements (including gold pathfinder elements). pXRF readings were taken on the sieved sample and subsequently submitted to American Assay Labs (AAL) in Reno, Nevada, USA. |
| Quality of assay data and laboratory tests | The gold assay information was completed by AAL. AAL is accredited by the Standards Council of Canada (SCC) for specific tests listed in their Scopes of Accreditation to ISO/IEC 17025:2017.<br>The analysis used for all the reported gold assays was fire assay with an ICP-OES finish. Over range gold assays (>10g/t) if present are analysed by Gravimetric (Weighted) finish.<br>AAL routinely includes its own CRM's, blanks and duplicates within each batch of samples. In addition, Rex inserted a large number of its own QA/QC check samples within each batch of samples.<br>Gold pathfinder elements which include results for As, Hg, Sb, Cu, Co, Zn and Pb were analysed for all samples using a portable handheld XRF machine (Olympus Innov-X, Delta DP4000). The readings from the pXRF data were taken against the screened soil samples over a minimum time of 2 minutes and 30 seconds per analysis, and 2 minutes per analysis for the standard and blank. The XRF machine was regularly checked against a reference soil standard (NIST 2711A standard) and a quartz puck for ongoing accuracy of the readings within the specified levels of accuracy. |
| Verification of sampling and assaying | The RC drilling program included a large number (over 10% of all samples) of QA/QC check samples that were placed throughout the samples. The QA/QC data included a 0.81g/t pulp standard, a 0.38g/t pulp standard, a blank pulp standard and a barren rock (unrecognisable) all spread throughout each sample submission.<br>All QA/QC samples were returned within reasonable error limitations and there was no evidence to suggest that the assay results contained any contamination or systematic errors in either the sampling process or the assaying process at the laboratory. |

| Criteria | Commentary |
|---|---|
| Location of data points | **RC Drilling**<br>Drill hole collar co-ordinates are recorded in UTM NAD83 (Zone 11N) within the Hog Ranch database. After completion of each drill hole, a labelled tag was left at the drill collar position for subsequent survey pick up of the actual collar location.<br>All drill collars from the 2022 drilling program were located using a Trimble ProXRT2 dual frequency L1/L2 GPS receiver capable of 10cm/4in accuracies. Data collected is post processed using GPS data files from the UNAVCO, Vya Nevada base station located approximately 18 miles from the project site. Accuracy based on the distance from the base station is estimated at 20cm.<br>**Soil Sampling**<br>The sample location co-ordinates are recorded in UTM NAD83 (Zone 11N) within the Hog Ranch database. After location for each sample is collected using a handheld GPS. |
| Data spacing and distribution | **RC Drilling**<br>Data spacing down hole is consistent with all the historical RC drilling at 5 feet (1.52m). At Airport and Bells, the drilling was designed to test extensions that were below or extensions of the current known gold mineralisation.<br>**Soil Sampling**<br>All soil samples reported in this announcement were collected at a regular sample interval of 100m x 100m with some sections over the Airport to Cameco area collected over a 50m x 50m spacing. |
| Orientation of data in relation to geological structure | The bulk of the gold mineralisation is interpreted to be horizontal, with some minor vertical structures that act as the “feeder” structures for the gold mineralisation and can also be mineralised. Most of this historical drilling information is based on vertical drill holes which is appropriate for the dominant horizontal and disseminated gold mineralisation, but at a very poor orientation for the occasional vertically orientated gold bearing structures.<br>**RC Drilling**<br>The drill holes reported in this release was completed at a dip range of between 55 and 80 (± 5 degrees) angle to accommodate the presence of largely horizontally dispersed gold mineralisation and occasional gold intersection that relate to a narrow vertical structure.<br>**Soil Sampling**<br>The soil sampling program is a regular grid taken on the surface which is predominantly a horizontal slice parallel to the lower grade gold mineralisation and cutting perpendicular to the interpreted gold bearing structures. |
| Sample security | The Hog Ranch Property is in a remote location with no other people present during the drilling program other than the supervising geologist, and the drilling crew. The drill samples were all collected and placed on the ground at each respective drill hole under the supervision of Rex’s Geologist. At the end of the program, the samples were collected and placed directly into a sample collection truck under the custody of the independent laboratory, AAL in Sparkes, Nevada. |

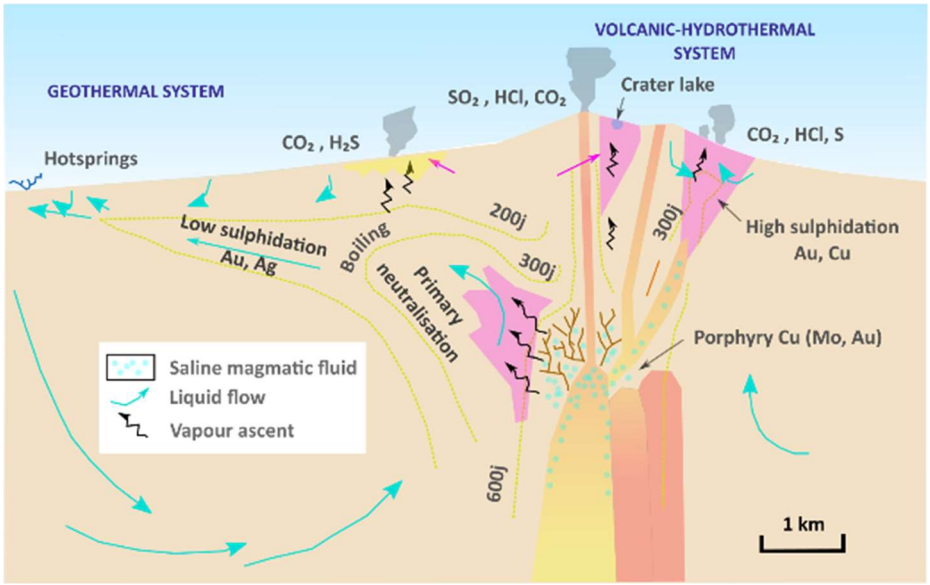
| Criteria | Commentary |
|---|---|
| | Based on the known chain of custody of the samples and generally low-grade nature of the drilling results, there is no evidence to suggest that any of the samples were interfered with. |
| Audits or reviews | No audits or reviews were commissioned for the reported RC drilling program and soil sampling program. |

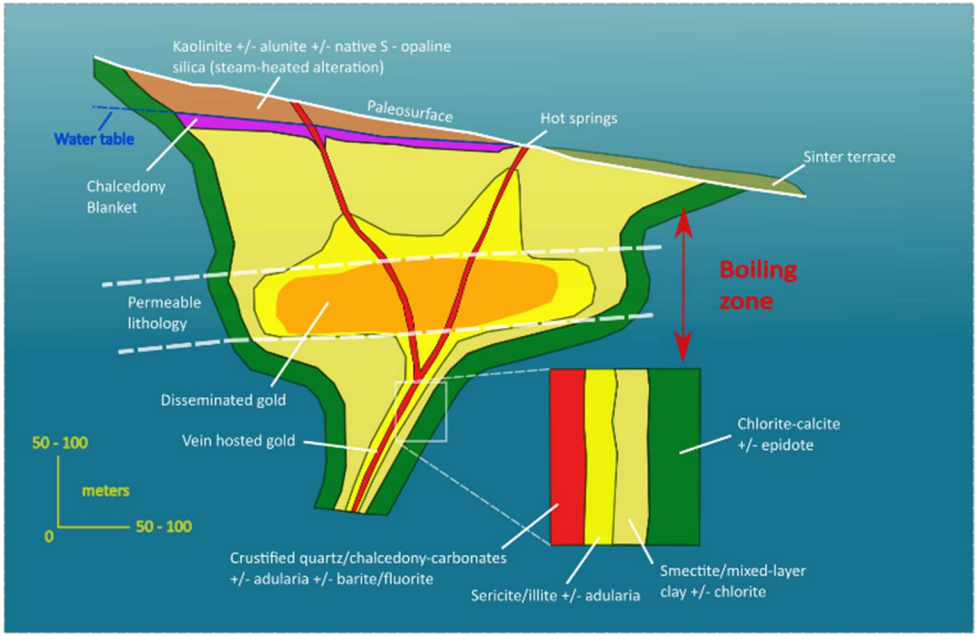
## Section 2 Reporting of Exploration Results

| Criteria | Commentary |
|---|---|
| Mineral tenement and land tenure status | The Project is made up of 1,035 unpatented mining claims located in Washoe County, Nevada, USA. The underlying title is held by Nevada Select Royalty Inc ("Nevada Select") and Hog Ranch Minerals Inc (100% owned by Rex). The Nevada Select claims are subject to an underlying agreement between Nevada Select Royalty Inc and Hog Ranch Minerals Incorporated. The agreement provides full operational control of the Project to Hog Ranch Minerals Inc., with a series of minimum expenditure and activity commitments required to keep the agreement and the option to acquire 100% of Hog Ranch in good standing.<br>In August 2019, Rex purchased a 100% interest in Hog Ranch via its purchase of the private company Hog Ranch Group, which in turn has 100% ownership of the company Hog Ranch Minerals Inc.<br>The mining claims at Hog Ranch are located on open public land managed by the Bureau of Land Management (BLM). |
| Exploration done by other parties | Gold mineralisation at Hog Ranch was first discovered in 1980 after the Project had been initially explored for Uranium. Ferret Exploration was the first company to actively pursue the gold potential at Hog Ranch, leading to some initial Mineral Resource estimates and some mining proposals. A consortium made up of Western Goldfields, Geomax (parent Company of Ferret Exploration) and Royal Resources ultimately provided the funding to commence gold production at Hog Ranch in 1986 via open pit mining and heap leach methods under the name of Western Hog Ranch Inc.<br>After approximately 18 months of production, the Project was subsequently sold to WMC, who purchased 100% of Hog Ranch in early 1988. WMC commenced a significant exploration effort, drilling over 1,600 RC holes, a series of additional deep diamond drill holes and further detailed studies during the life of the operation which continued until 1991. Residual gold production and subsequent rehabilitation commenced soon after the mining operations ceased, all of which was completed by 1994. A summary of the gold production and geological information that was obtained during the mining operations was later summarised in a paper by Bussey (1996) – see Table 3. |

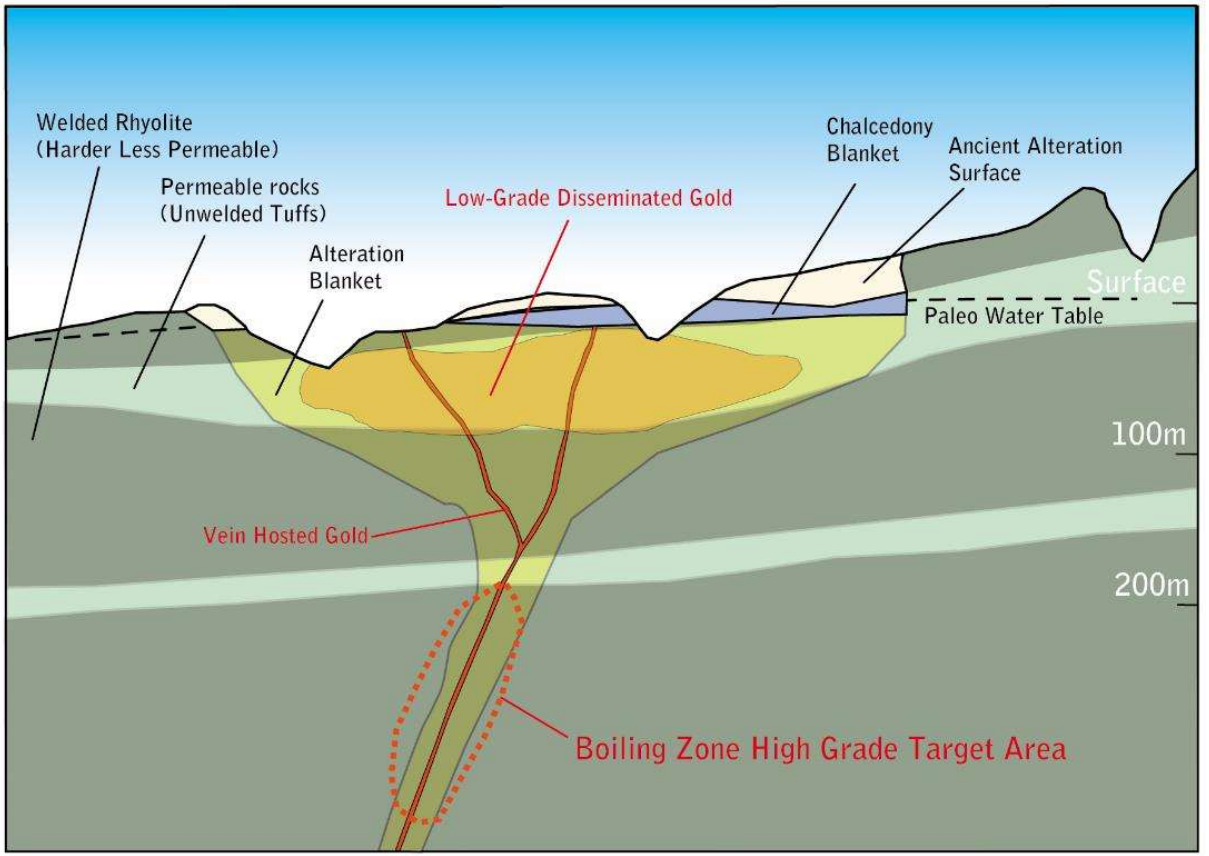
**Table 3:** (after Bussey, 1996) Summary of the historical production (mined) from each open pit based on production blast hole information prior to placement onto the leach pads.

| Deposit/Resources | Tons (Mt) | Tonnes (Mt) | Gold (oz/ton) | Gold (g/t) | Comments |
|---|---|---|---|---|---|
| Bells | 1.18 | 1.07 | 0.041 | 1.4 | Found first, mined last |
| East Deposit | 1.00 | 0.91 | 0.038 | 1.3 | |
| Krista Deposit | 4.64 | 4.21 | 0.036 | 1.23 | Largest deposit |
| Geib Deposit | 1.28 | 1.16 | 0.033 | 1.13 | |
| 139 Deposit | 0.23 | 0.21 | 0.028 | 0.96 | Local visible gold |
| West Deposit | 0.17 | 0.15 | 0.045 | 1.54 | |
| **TOTAL** | **8.5** | **7.7** | **0.036** | **1.23** | |

| Criteria | Commentary |
|---|---|
| | Post-mining explorers at Hog Ranch have had small exploration campaigns relative to the exploration effort that preceded and was ongoing during the mining period. Cameco was the first company to look in more detail under the cover rocks to the west towards an earlier discovery called the Airport Zone. Cameco's drilling effort did intersect significant gold mineralisation and proved the evidence for further potential of shallow gold mineralisation at Hog Ranch under the cover rocks on the western side of the property.<br>The next series of exploration efforts changed focus towards the potential for vein hosted gold mineralisation at greater depths underneath the shallow lower-grade gold that was the focus of earlier exploration and mining. This led to a number of companies starting with Seabridge and followed by Romarco and then ICN, all of which completed some further mapping, data compilations and subsequent diamond and RC drill testing.<br>The latest exploration effort prior to the acquisition of the Project by Rex was two (2) lines of 2D seismic, completed by Hog Ranch Minerals Inc., which were completed as a precursor to a planned 3D seismic survey, again in an attempt to uncover the location of potential high-grade vein hosted gold mineralisation at depth. |
| Geology | The geological setting, alteration and characteristics of the gold mineralisation defined at Hog Ranch all provide strong evidence that Hog Ranch is a low sulphidation epithermal style of deposit which formed close to the surface (*Figure 7*).<br>  <br><br>**Figure 7:** *(modified from Hedenquist, et al., 2000) Schematic representation of the geological environment for the formation of low sulphidation epithermal deposits.* |

| Criteria | Commentary |
|---|---|
| | Large zones of advanced argillic alteration, and horizontal layers of quartz ("Chalcedony Blanket") as defined in Bussey, 1996 and which can still be observed in the field today, indicate that the gold deposits were formed very close to a paleo water-table (*Figure 8*).<br>In addition, evidence from fluid inclusion work indicates that the shallow gold mineralisation at Hog Ranch formed very close to the paleosurface at the time that the gold mineralisation was deposited. The fluid inclusion work also implies a depth of formation to be less than 200m from the paleosurface, with approximately 100m of erosion of the paleosurface to the current topography also implied from modelling of the data obtained from the fluid inclusion work (Bussey, 1996).<br>Within the northern mineralised zone and within the series of historical open pits, it was noted that the alteration and gold mineralisation was more favourably emplaced along more permeable unwelded tuff rocks. The unwelded tuff units, where present close to the historical surface, have created a favourable environment for the formation of an extensive shallow "blanket" of bedding parallel gold mineralisation.<br>  <br><br>**Figure 8:** *(modified after Hedenquist et al., 2000) Schematic representation of the boiling zones within a low sulphidation epithermal deposit of the type interpreted to be similar to how the gold mineralisation formed at the Hog Ranch Property.* |

| Criteria | Commentary |
|---|---|
| | The hydrothermal fluids that have resulted in both the alteration and gold mineralisation are interpreted to have been linked to a deep-seated source via a series of faults which acted as the plumbing system required to bring the mineralising fluids up to the paleosurface at Hog Ranch. This model of emplacement and formation for shallow epithermal gold mineralisation is similar to many epithermal deposits worldwide as documented by many authors (ie. White and Hedenquist, 1995; Hedenquist, et al., 2000; Sillitoe; R. H., 1993, Corbett, 2002) (*Figure 8*).<br>Some variations exist at Hog Ranch compared to the genetic model postulated in Figure which is largely due to the physical characteristics of the host rocks. One key feature at Hog Ranch is that the shallow gold mineralisation has permeated more favourably along the unwelded tuff horizons at a position which is within 100m vertically beneath the paleo water-table.<br>In addition, a separate target type is interpreted to exist in association with quartz-adularia veins at depth, within an interpreted boiling zone where very high-grade gold mineralisation may have developed. The position for this target type is speculated to exist at a depth of over 200m beneath the paleo water-table and down to a limited, but undetermined depth.<br>Since the deposition of gold, surface weathering effects have cut into the current landscape and exposed parts of the large alteration system associated with the gold forming event at Hog Ranch.<br>As represented in Figure 9, the geological model for the gold mineralisation types at Hog Ranch details two major deposit types, based on the current level of understanding.<br>1. Extensive shallow and low-grade gold mineralisation within 100m of the paleo water-table, which has favourably extended along the more porous unwelded tuff units; and<br>2. Higher-grade quartz-adularia vein hosted gold mineralisation within feeder structures underneath this large system, which would have most likely developed at over 200m beneath the current day surface over a position known as the boiling zone. |

| Criteria | Commentary |
|---|---|
| |  <br>**Figure 9:** *Schematic diagram representing the current day setting of the gold target types that are interpreted to exist relative to the Volcanic Host Rocks and the broad alteration zones at Hog Ranch.* |
| Drill hole information | Significant drilling results which are the subject of this release is summarised in Table 1, and with their relative location identified in Figures 3 and 4.<br>Table 4 below identifies the drill collar location (in UTM NAD83 (Zone 11) Datum), dip, azimuth and total length for the drill hole in the reported drilling program. |

| Criteria | Commentary |
|---|---|
| | **Table 4:** Drill Hole location information (UTM NAD83 (Zone 11N) Co-ordinate System) |

| Drill Hole Number | Easting | Northing | Elevation (m) | Dip | Azimuth | Total Length |
|---|---|---|---|---|---|---|
| HR22-005 | 290370 | 4561630 | 1644 | -55 | 95 | 160.2m (525ft) |
| HR22-006 | 290500 | 4561500 | 1646 | -60 | 95 | 253.0m (830ft) |
| HR22-007 | 290100 | 4561350 | 1646 | -60 | 90 | 246.9m (810ft) |
| HR22-008 | 290103 | 4561109 | 1647 | -55 | 90 | 201.2m (660ft) |
| HR22-009 | 291295 | 4553650 | 1819 | -60 | 85 | 249.9m (820ft) |
| HR22-011 | 291355 | 4553864 | 1809 | -60 | 95 | 249.9m (820ft) |
| HR22-012 | 291325 | 4554425 | 1831 | -55 | 225 | 96.0m (315ft) |
| HR22-013 | 291329 | 4554426 | 1831 | -80 | 230 | 249.9m (820ft) |

| | |
|---|---|
| Data aggregation methods | In reporting the assay results in Table 1, a nominal cut-off grade of 0.2g/t gold was used or, in some cases, extended into lower grades where geological continuity of the gold mineralisation is interpreted. |
| Relationship between mineralisation widths and intercept lengths | The drilling information reported has an average dip of 55 to 80 degrees. The general orientation of the gold mineralisation is interpreted to have a horizontal dispersion of the larger scale lower grade gold mineralisation with true widths typically at 70% of the down hole intercept lengths. In some cases there may be narrow high-grade zones which have a sub-vertical orientation with an estimated true width of 70%-90% of the down hole width.<br>Figure 5 shows a representation of the gold mineralisation relative to the dip of the drill holes for the more significant gold results reported from the Bells Project area. |
| Diagrams | See Figures 3, 4 and 5 for summary representation of the drilling results pertaining to this announcement. |
| Balanced reporting | All drilling results have been reported in full. |
| Other substantive exploration data | Hog Ranch Property has been the subject of extensive exploration and historical drilling, predominantly over the period from 1981 through to 1997, in addition to a period of historical mining from 1989 to 1991. Rex has reported drilling information from work completed in 2019 and up to this announcement by the Company in earlier announcements, including a summary of the historical drilling information which was reported in the Mineral Resource announcement published on 2 September 2019. |
| Further work | Recent mapping and all the available drilling information have identified open positions for further gold mineralisation at depth, and in some cases also along strike. Further RC drilling is planned to test these open positions. |