

ASX Release: 19 October, 2011

Quarterly Activities Report - for the period ended 30 September 2011

ASX Code: RXM

Shares on Issue: 153.6 million

Options on Issue: 2.5 million

Cash on hand as at 30 Sept: \$67.3m

Market Cap as at 17 Oct: \$261m

Share range in quarter: 112c to 268c

Website: www.rexminerals.com.au

*New high grade and shallow
copper discoveries at Hillside*

*Hillside exploration results lead to
expanded mine plan*

*Encouraging copper results at
Rex's Equis target. Further
regional testing underway*

For further information, please contact:
Steven Olsen (Managing Director)
or Amber Rivamonte (Company Secretary)
Phone: 03 5337 4000
E-mail: info@rexminerals.com.au

Media enquiries to:
Simon Jemison
Collins Street Media
03 9224 5319
E-mail: simon@collinsstreetmedia.com.au

HIGHLIGHTS

Pine Point Copper Belt, Yorke Peninsula, South Australia:

Hillside Project

- Ongoing exploration success outside of existing Resources and Mine Plan.
- Release of expanded mine plan anticipated to produce 100,000t copper equivalent (CuEq) for over 10 years.
- Seven drill rigs on site and 21,165 metres drilled in quarter.
- Best results include:
 - 60m @ 1.7% copper and 0.2 g/t gold
 - 47m @ 1.0% copper and 0.5 g/t gold
 - 42m @ 1.2% copper and 0.5 g/t gold
 - 32m @ 1.0% copper and 0.5 g/t gold
 - 23m @ 1.3% copper and 0.3g/t gold
 - 27m @ 1.1% copper and 0.1 g/t gold
 - 18m @ 1.1% copper and 0.3 g/t gold
 - 18m @ 1.0% copper and 0.1 g/t gold
 - 339m @ 0.6% copper and 0.3 g/t gold

Note: Intersections are down hole lengths

Regional Exploration Program

- Positive initial drilling results at Equis with large sections of copper anomalism intersected in addition to sections of high grade copper (best result of 3m @ 1.0% copper).

Corporate:

- Financing discussions to be advanced in parallel with Hillside studies

SUMMARY COMMENTS

Rex has had one of its best quarters to date with regard to higher grade drilling results from Hillside as part of both the infill and extensional drilling program. Regional targeting has identified multiple large scale targets in close proximity to Hillside. The first few drill holes at the Equis target (one of the high priority targets) returned positive results with broad copper anomalism intersected.

OUTLOOK

Drilling capacity of 7 diamond rigs focussed on:

- Remaining definition of Hillside Mineral Resource and infill drilling for pre-feasibility study.
- Continue pre-feasibility study work with a focus now on 100,000t CuEq mine plan for Hillside.
- Continue testing the high priority regional targets with follow-up testing of the projects that show positive signs for significant copper mineralisation.

PROJECTS

Hillside Project – New discoveries and expanded mine plan

Ongoing drilling at Hillside focused on new extensions to the Mineral Resource whilst infill drilling delivered positive results (Table 4). New extensions to the copper mineralisation were discovered to the north and south of the existing Mineral Resource, the most significant of which is located on a structure called Leprena to the south of the existing Mineral Resource (see Figure 1 and Figure 2).

The recent exploration success at Hillside, has led to the view that project returns would be enhanced by moving straight to a 100,000 tpa copper equivalent (CuEq) production rate rather than the previously announced two-stage development outlined in the concept study.

Rex is also leaving open the potential for further expansion options depending on the results of its regional exploration program, which over the next six months, will test multiple targets in close proximity to Hillside.

The concept study (released 27 July 2011) was based on resource drilling and work received up until April 2011 and provided broad capital and operating costs estimates based on a two-stage development (Stage One 7.5-9 Mtpa, Stage Two 15-18Mtpa). Since April 2011, and in particular throughout the September quarter, there has been a significant number of high-grade and shallow copper results such as at Leprena which has given Rex the confidence to now focus the pre-feasibility study on a 15 Mtpa processing plant from the commencement of operations.

This change delivers substantially higher production and hence revenues in the first six years compared to the two staged approach adopted in the concept study. At 15 Mtpa Hillside would produce over 100,000t copper equivalent (copper of 70,000t, gold of 50,000ozs and iron ore of 1.3M) for a minimum of 10 years. The optimised 15 Mtpa production plan, compared to the initial concept study, is summarised below.

Table 1: Approximate capital costs and copper equivalent (CuEq) production estimates based on conceptual study information and further exploration results.¹

	Upfront capital	CuEq production Years 1-6	CuEq production Years 7-10+
Concept Study	A\$700 million	55,000t*	>100,000t*
Optimised Mine Plan	A\$900 million	>100,000t*	>100,000t*

* Price Assumptions: Copper price = 3.20 US\$/lb, Gold price = 1200 US\$/ounce, Magnetite price = 120 US\$/tonne (see Table 4 in Rex Conceptual Study announcement, 27 July 2011 for more detail on price assumptions).

The cash costs for the copper production over the life of the project (inclusive of by-product credits) are estimated to be very close to the world average, recently estimated to be US\$1.12/lb copper (GFMS copper report, March 2011).

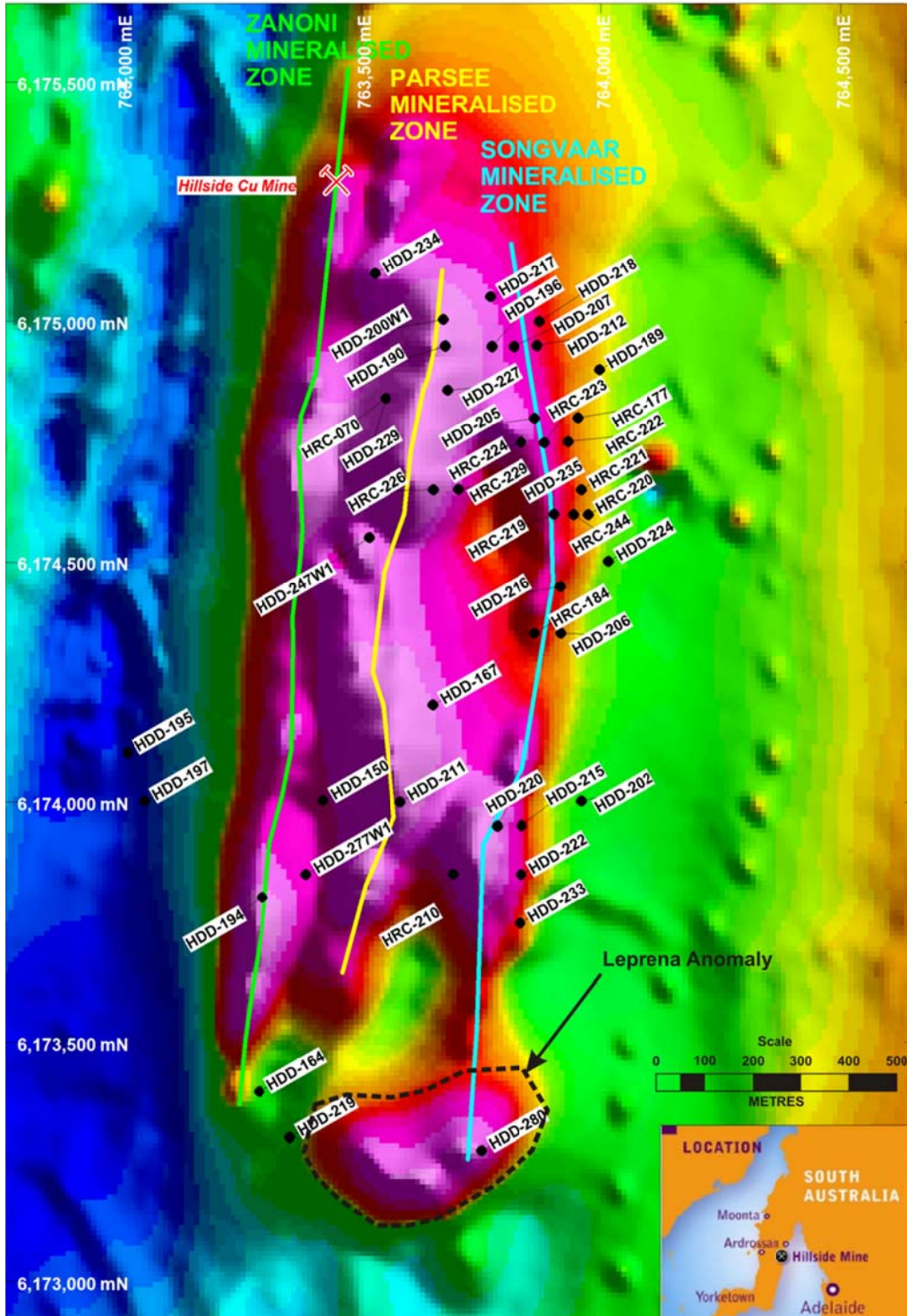


Figure 1: Magnetic map of the Hillside project, showing location of recent drilling and the Leprena structure.

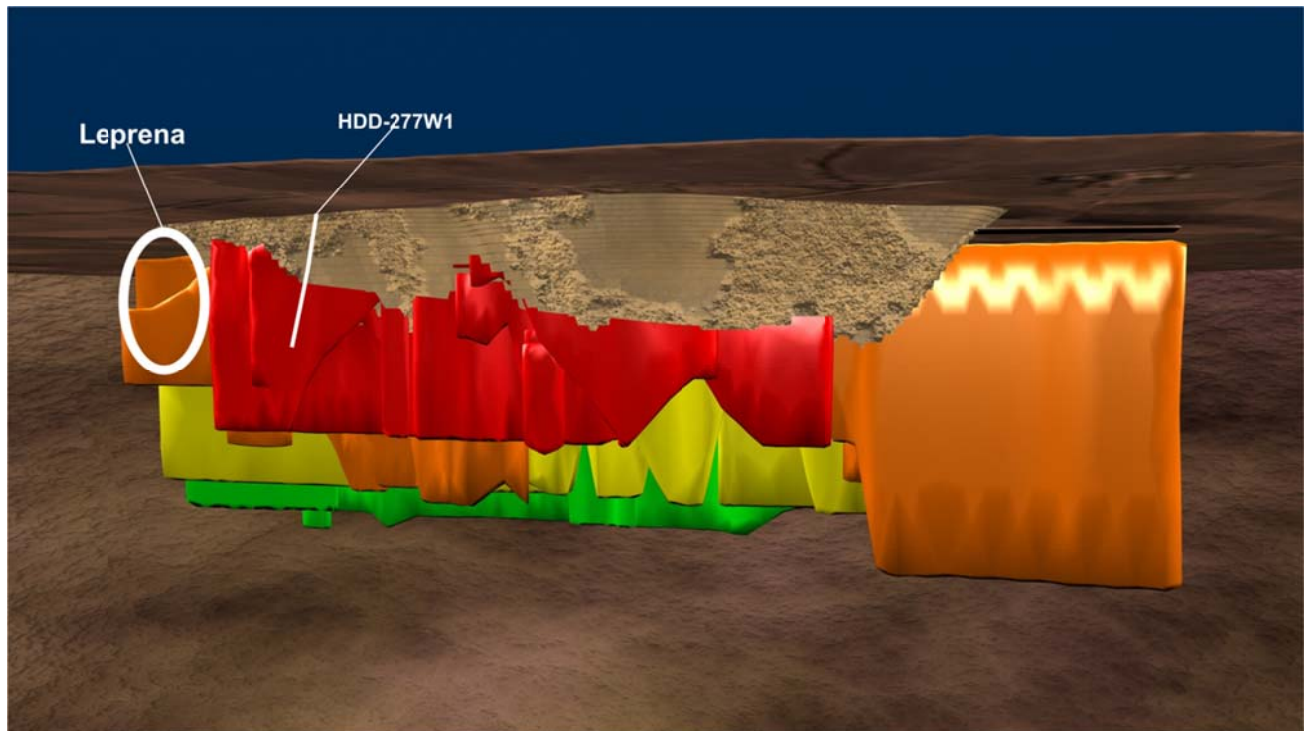


Figure 2: Long section view showing location of Leprena and HDD277W1 outside of Stage 2 pit.

Pine Point Copper Belt (Yorke Peninsula, South Australia) – Regional Targets

Drilling was completed during the quarter on the Equis target and regional extensions to the Hillside Project. Further advances were also made to modelling of the regional targets to help prioritise the regional exploration program. A number of the high priority targets including Equis, Ethel, Ranald and Target 13 will be drilled in the current quarter.

Equis Prospect

The Equis prospect is located 3 kilometres north-west of Rex's Hillside copper-gold deposit on the Yorke Peninsula. Drilling at Equis was aimed at testing a number of high intensity magnetic anomalies and associated gravity anomalies.

A program of 3 diamond drill holes was completed during the quarter at Equis, with all drill holes intersecting encouraging alteration assemblages and widespread anomalous copper mineralisation (Table 2 and Figure 3). The drilling intersected an extensive sequence of metavolcanic rocks with numerous granitic intrusions within the basement rocks. Encouragingly, these basement rocks exist underneath less than 10 metres of younger sedimentary cover.

Of particular significance were drill holes EQDD002 and EQDD003, which both included intersections of disseminated and massive chalcopyrite (also the dominant copper mineral at Hillside) and pyrite. Additional exploration activities including soil sampling and an Induced Polarisation (IP) survey have subsequently been completed which will help to further refine the next phase of drilling at Equis.

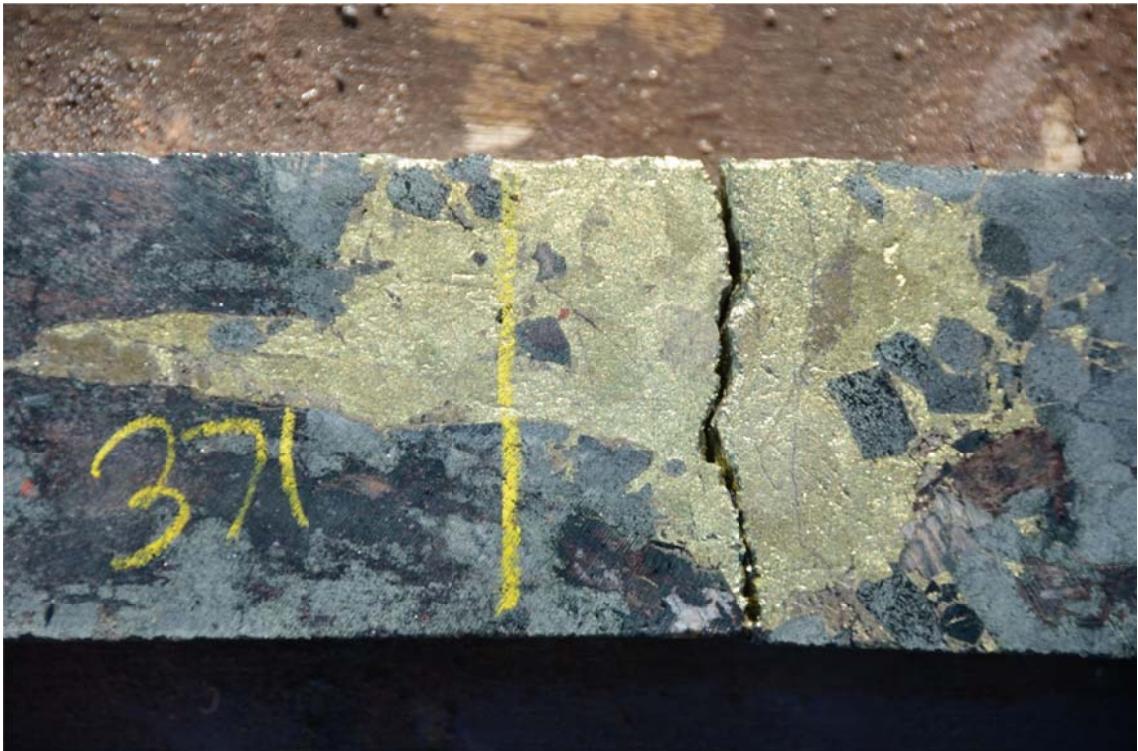


Figure 3: Sections of massive chalcopyrite intersected in drill hole EQDD003 at 371m down hole

Hillside Extensions

Drilling completed 500 metres to the north of the Hillside Resource has intersected copper and gold mineralisation within the same corridor that hosts Hillside. This intersection, in conjunction with indications of anomalous copper mineralisation from previous aircore drilling (Figure 4), serve to highlight potential extensions to the copper mineralisation along strike of the Hillside project.

Regional Exploration Program

In parallel with the resource delineation and feasibility activities at Hillside, Rex is testing multiple high priority exploration targets along the Pine Point Copper Belt.

Rex first commenced exploring the Yorke Peninsula in search of multiple copper-gold deposits underneath shallow cover. This has initially proven to be successful with the Hillside discovery, which was the first effective test of this region.

Table 2: Summarised drilling results from recent regional exploration drill holes .

HOLE ID	FROM (m)	TO (m)	INTERVAL (m)	Cu (ppm)	Cu (%)	TARGET
EQD001	158	163	4	740		Equis South
<i>including</i>	159	160	1		0.3	
	317	320	3	687		
EQDD002	24	59	35	333		Equis Central
	78	153	75	363		
	345	375	29	437		
	402	406	4	534		
EQDD003	275	281	6	421		Equis Central
	363	364	1		0.8	
	370	373	3		1.0	
			1		2.5	
	539	548	9	356		
	622	644	22	419		
HDD175	124	144	20		0.4	Hillside North
<i>including</i>	131	132	1		1.8	

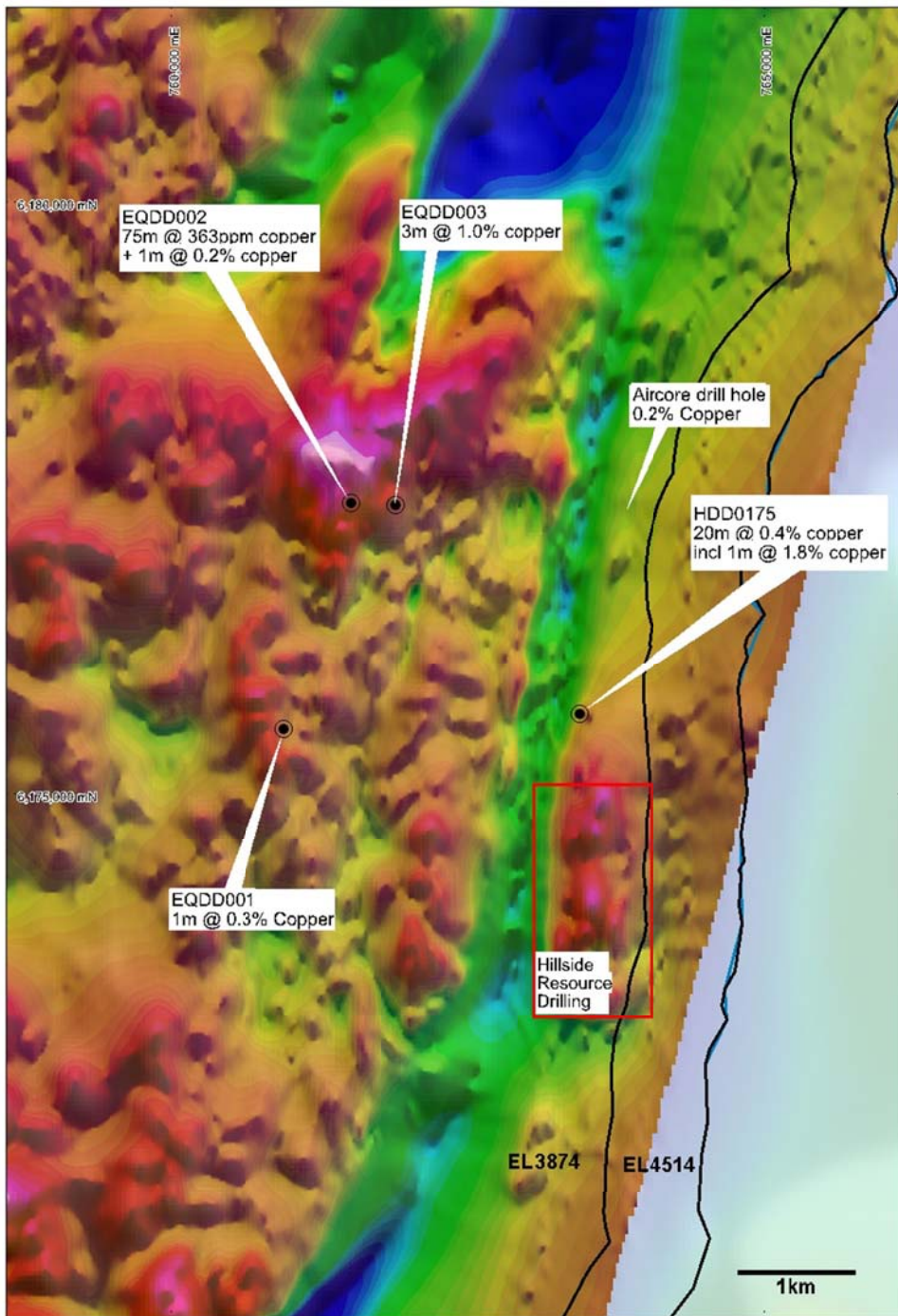


Figure 4: Magnetic image and significant regional drilling results close to the Hillside project on the Yorke Peninsula, SA.

The research undertaken at Hillside since its discovery has confirmed that it was formed at the same time as the Prominent Hill and Olympic Dam deposits adding further weight to the interpretation that there could be other similar deposit types in the basement rocks on the Yorke Peninsula.

These deposits have a very strong relationship with iron, which is typically in the form of either magnetite or haematite. It is for this reason that both magnetic and gravity surveys are a particularly important method of discovering the likely position of the largest deposits in the region. In recognition of this information, Rex completed high resolution magnetic and gravity surveys in 2009 and 2010 to understand where potentially the largest deposits of this type (typically referred to as an Iron-Oxide-Copper-Gold or IOCG deposits) may occur. The three-dimensional modelling of targets as bodies utilising high resolution detailed datasets typically highlights detail that is not evident in the regional datasets or by examining regional maps. Using this approach Rex has identified, modelled and ranked numerous targets in the Pine Point Copper Belt based on their geophysical properties and geological setting.

The results from this work indicate that there are many targets which have a larger response than Hillside and represent very exciting new targets for Rex, some of which are very close to Hillside, including Equis, Ethel and Ranald (see Figure 5 and Table 3).

Based on ranking the targets from the gravity and magnetic anomalies, Hillside would rank approximately sixth.

Table 3: Project ranking based on modelled gravity and magnetic information gathered by Rex in 2010.

Ranking	Target Name	Modelled Magnetic Size and Intensity	Modelled Gravity Size and Intensity
1	Equis Central	High	High
2	Ethel	High	High
3	Target 13	High	Med/High
4	Ranald East	High	Low
5	Parara North	Med/High	Med
6	Hillside	Med/High	Med
7	Parara Central	Med/High	Low
8	Parara South	Med	Med/High
9	Ranald 16	Med	Med
10	Equis South	Med	Med
11	Port Julia	Med	Med
12	Hillside West	Med	Med/Low

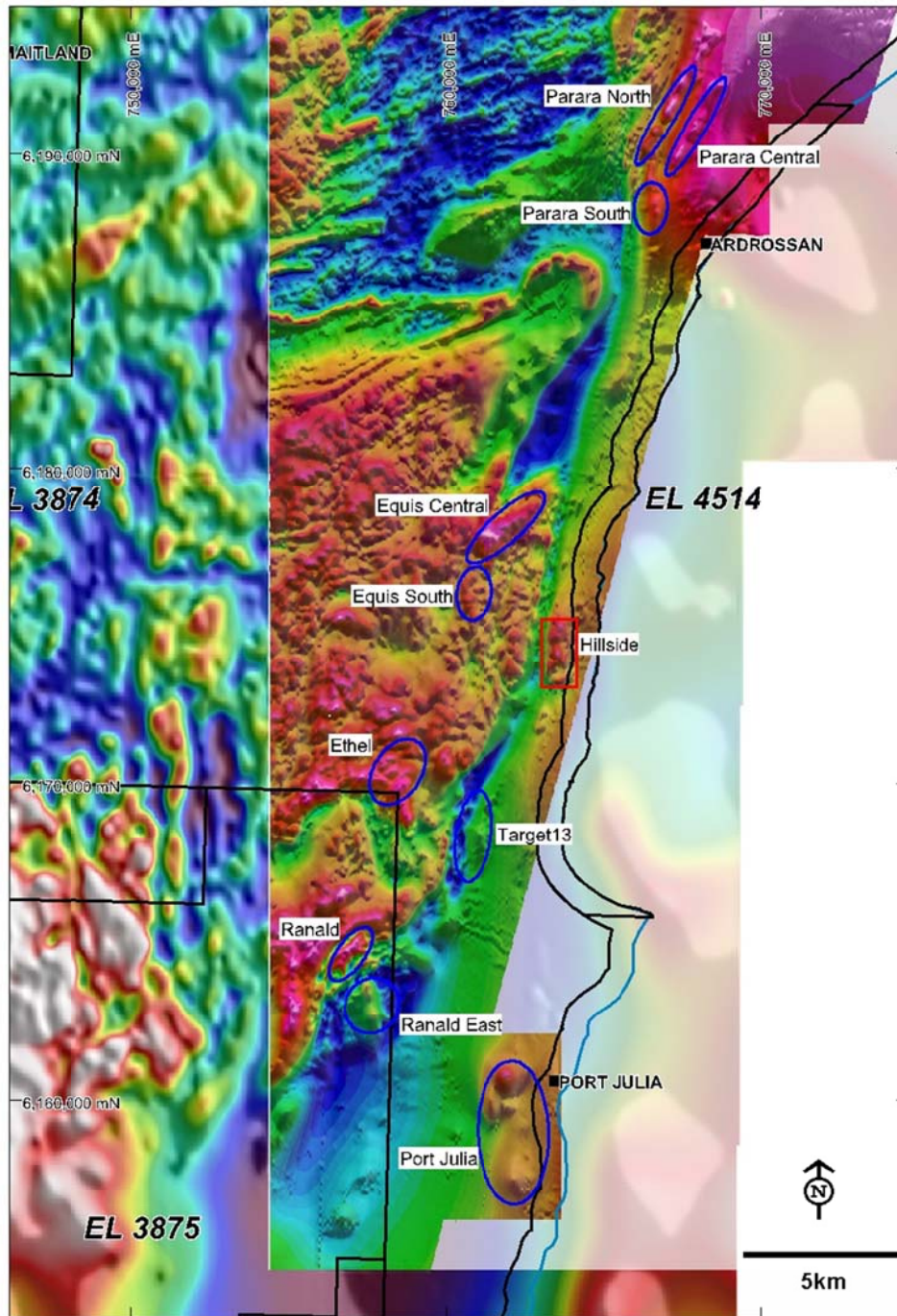


Figure 5: Magnetic image and significant regional exploration targets defined by Rex on the Yorke Peninsula, SA.

CORPORATE

To ensure expeditious project development, Rex has also commenced preliminary financing discussions to ensure an alignment of sponsor, developer, and financier interests when the pre-feasibility study moves to a bankable study next year.

The current scale and mine life of the Hillside project along with the significant regional potential offer a unique opportunity for potential partners to become involved in the project, particularly given the estimated quality of the copper and iron-ore concentrates. Rex believes that this will open up favourable financing options to fund the development of the project and will look comprehensively at various financing options that are available as the technical work continues on the project.

ACTIVITIES PLANNED FOR NEXT QUARTER

Hillside: Rex has six diamond drill rigs currently located at the Hillside project. Rex will continue drilling both for infill information and new extensions to the copper mineralisation at Hillside. Drilling will also be diverted to key activities that are required for the pre-feasibility study which include metallurgical sampling, geotechnical drilling and hydrological drilling.

Pine Point Copper Belt: A diamond drill rig is currently rotating between a number of the high priority targets defined from the earlier work by Rex. Targets currently being tested include Equis, Ethel, Randal and Target 13. An additional high resolution magnetic survey is also being completed to further refine the drilling program on the targets that are ranked as a high priority.

¹ *The results contained within this announcement from the Hillside conceptual study contain “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 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 Report

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled by Mr Patrick Say who is a Member of the Australasian Institute of Mining and Metallurgy and is a full time employee of Rex Minerals Ltd. Mr Say has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 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.

Table 4: Summarised drilling highlights results from results received during the September quarter.

HOLE ID	FROM (m)	TO (m)	INTERVAL (m)	Cu (%)	Au (g/t)	Structure
HDD-150	158	176	18	1.1	0.3	Unknown (p)
HDD-164	170	185	15	1.1	0.1	Dart (p)
HDD-167	186	205	19	0.9	0.3	Parsee (p)
<i>including</i>	186	197	11	1.1	0.5	<i>Parsee (p)</i>
HDD-189	343	389	46	0.6	0.1	Songvaar (p)
<i>including</i>	378	388	10	1.4	0.1	<i>Songvaar (p)</i>
	465	482	17	0.9	0.2	Songvaar (p)
HDD-190	22	56	34	0.8	0.3	Parsee (s)
<i>including</i>	23	37	14	1.3	0.5	<i>Parsee (s)</i>
HDD-194	144	172	28	0.6	-	Dart (p)
<i>including</i>	162	169	7	1.3	0.1	<i>Dart (p)</i>
	397	421	24	1	0.1	Dart (p)
HDD-195	493	500	7	1.6	0.3	Dart (p)
HDD-196	179	199	20	0.6	0.1	Songvaar (p)
HDD-200W1	334	369	35	0.8	0.2	Zanoni (p)
<i>including</i>	355	366	11	1.6	0.6	<i>Zanoni (p)</i>
HDD-202	335	356	21	0.6	0.2	Songvaar (p)
HDD-205	58	126	68	0.9	0.2	Songvaar (s)
<i>including</i>	62	76	14	1.2	0.4	<i>Songvaar (s)</i>
	92	108	16	1.6	0.2	<i>Songvaar (s)</i>
	141	162	21	0.6	0.3	Songvaar (s)
	171	201	30	0.6	0.2	Songvaar (p)
<i>including</i>	182	188	6	1.1	0.5	<i>Songvaar (p)</i>

HOLE ID	FROM (m)	TO (m)	INTERVAL (m)	Cu (%)	Au (g/t)	Structure
HDD-206	95	101	6	3.1	0.1	Songvaar (s)
	153	157	4	1.5	0.1	Songvaar (p)
	187	241	54	0.6	0.1	Songvaar (p)
<i>including</i>	214	223	9	1	0.2	<i>Songvaar (p)</i>
HDD-207	161	206	41	0.5	0.1	Songvaar (p)
HDD-211	23	75	51	0.6	0.2	Parsee (p)
	107	446	339	0.6	0.3	Parsee (p)
<i>including</i>	281	285	4	2	1.3	<i>Parsee (p)</i>
	296	307	11	1.9	1.2	<i>Parsee (p)</i>
	331	353	22	1.3	0.7	<i>Parsee (p)</i>
	379	400	21	1.1	0.5	<i>Parsee (p)</i>
HDD-212	159	192	33	1.2	0.3	Songvaar (p)
<i>including</i>	165	177	12	2.2	0.3	<i>Songvaar (p)</i>
	277	288	11	1.6	0.9	Songvaar (p)
HDD-215	202	230	28	0.5	0.2	Songvaar (p)
	282	308	26	0.8	0.2	Songvaar (p)
HDD-216	278	290	12	0.9	0.3	Songvaar (p)
<i>including</i>	286	289	3	2.5	1	<i>Songvaar (p)</i>
HDD-218	176	309	133	0.5	0.2	Songvaar (p)
HDD-220	52	64	12	0.7	0.5	Songvaar (s)
	69	79	10	0.6	0.2	Songvaar (s)
	179	213	34	0.5	0.1	Songvaar (p)
HDD-224	142	150	8	1.3	0.1	Songvaar (s)
	248	252	4	1.6	0.1	Songvaar (p)
	257	271	14	0.7	0.1	Songvaar (p)
HDD-227	79	91	12	0.6	0.3	Parsee (s)
	102	113	11	0.6	0.2	Parsee (s)
	395	463	68	0.4	0.2	Zanoni (p)

HOLE ID	FROM (m)	TO (m)	INTERVAL (m)	Cu (%)	Au (g/t)	Structure
HDD-229	136	197	60	1.7	0.2	Zanoni (p)
<i>including</i>	151	162	11	4.8	0.5	<i>Zanoni (p)</i>
	175	180	5	2.2	0.4	<i>Zanoni (p)</i>
	281	358	77	0.6	0.1	Zanoni (p)
<i>including</i>	308	313	5	3.5	0.6	<i>Zanoni (p)</i>
	424	464	40	0.6	0.1	Dart (p)
<i>including</i>	446	453	7	1	0.1	<i>Dart (p)</i>
HDD-232	188	195	7	1.3	0.2	Songvaar (s)
HDD-233	162	176	14	0.6	-	Songvaar (p)
	225	256	31	0.5	0.1	Songvaar (p)
HRC-177	88	139	51	0.7	0.3	Songvaar (s)
<i>including</i>	93	96	3	2	0.8	<i>Songvaar (s)</i>
	151	164	13	0.9	0.2	Songvaar (s)
HRC-184	37	85	48	0.8	0.3	Songvaar (s)
<i>including</i>	58	70	12	1.5	0.4	<i>Songvaar (s)</i>
HRC-210	241	273	32	1	0.5	Parsee (p)
<i>including</i>	243	248	5	2.7	1.1	<i>Parsee (p)</i>
	292	298	6	1.2	0.4	Parsee (p)
HRC-219	47	63	16	0.7	0.5	Songvaar (s)
HRC-220	68	88	19	0.5	0.2	Songvaar (s)
	105	169	64	0.6	0.1	Songvaar (s)
HRC-221	51	155	104	0.5	0.2	Songvaar (s)
<i>including</i>	103	112	9	1.1	-	<i>Songvaar (s)</i>
HRC-222	51	153	102	0.6	0.4	Songvaar (s)
<i>including</i>	55	60	5	1.1	0.6	<i>Songvaar (s)</i>
HRC-223	42	89	47	1	0.5	Songvaar (s)
<i>including</i>	45	49	4	2.8	1.2	<i>Songvaar (s)</i>

HOLE ID	FROM (m)	TO (m)	INTERVAL (m)	Cu (%)	Au (g/t)	Structure
HRC-224	81	99	18	-	1.5	Songvaar (s)
	100	123	23	0.5		Songvaar (s)
HRC-226	48	102	54	0.7	0.2	Parsee (s)
HRC-229	146	162	16	0.9	0.3	Parsee (p)
<i>including</i>	154	157	3	2.4	0.9	<i>Parsee (p)</i>
HRC-244	63	105	42	0.8	0.1	Songvaar (s)
<i>including</i>	87	95	8	1.9	0.1	<i>Songvaar (s)</i>
HDD-197	459	477	18	1	0.1	Zanoni (p)
<i>including</i>	472	476	4	2.9	0.2	<i>Zanoni (p)</i>
	522	533	11	1.7	0.3	Zanoni (p)
HDD-217	50	106	56	0.4	-	Songvaar (s)
HDD-219	367	375	8	1.3	0.3	Dart (p)
HDD-222	167	180	13	0.5	0.1	Songvaar (p)
HDD-234	165	174	9	1.9	0.2	Dart or Zanoni (p)
	194	200	6	0.6	0.1	Dart or Zanoni (p)
HDD-247W1	328	355	27	1.1	0.1	Zanoni (p)
HDD-277W1	174	218	44	1.2	0.5	Dart (p)

HOLE ID	FROM (m)	TO (m)	INTERVAL (m)	Cu (%)	Au (g/t)	Structure
HDD-280	23	31	8	0.7	0.2	Leprena (p)
	68	71	3	1.4	0.2	Leprena (p)
	89	153	64	0.6	-	Leprena (p)
<i>including</i>	124	135	11	1	-	Leprena (p)
<i>including</i>	142	152	10	1	-	Leprena (p)
	164	174	10	0.6	-	Leprena (p)
	189	212	23	1.2	0.3	Leprena (p)
	392	399	7	1.6	0.2	Leprena (p)
HRC-219/HDD-235	47	102	55	0.5	0.2	Songvaar (s)
<i>including</i>	60	64	4	1.7	-	Songvaar (s)

(p) = Primary Mineralisation (s) = Supergene Mineralisation

* All intercepts reported are down hole unless otherwise specified

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

REX MINERALS LTD

ABN

12 124 960 523

Quarter ended ("current quarter")

30 September 2011

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 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	(11,329)	(11,329)
1.3 Dividends received	(809)	(809)
1.4 Interest and other items of a similar nature received	666	666
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)		
Net Operating Cash Flows	(11,472)	(11,472)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	(316)	(316)
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets	11	11
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	(305)	(305)
1.13 Total operating and investing cash flows (carried forward)	(11,777)	(11,777)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(11,777)	(11,777)
	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	(11,777)	(11,777)
1.20	Cash at beginning of quarter/year to date	79,084	79,084
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	67,307	67,307

Payments to directors of the entity and associates of the directors
Payments to 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	164
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

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

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

Financing facilities available

Add notes as necessary for an understanding of the position.

Amount available \$A'000	Amount used \$A'000

+ See chapter 19 for defined terms.

3.1	Loan facilities		
3.2	Credit standby arrangements		

Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	9,505
4.2	Development	
4.3	Production	
4.4	Administration including Pre Feasibility studies	1,657
Total		11,162

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	33,307	45,084
5.2	Deposits at call		
5.3	Bank overdraft		
5.4	Other (Term Deposits)	34,000	34,000
Total: cash at end of quarter (item 1.22)		67,307	79,084

Changes in interests in mining tenements

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

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.


	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 <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	153,635,519	153,635,519		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	561,000 240,000 60,000 1,600,000	- - - -	<i>Exercise price</i> \$1.222 \$2.052 \$0.552 \$3.00	<i>Expiry date</i> 24/5/2013 31/10/2012 31/5/2012 30/4/2014
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				

+ See chapter 19 for defined terms.

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:  Date: 19 October 2011
(Company secretary)

Print name: Amber Rivamonte

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 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 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, 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.

== == == == ==

+ See chapter 19 for defined terms.