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Chairman's Address – General Meeting, 17 May 2012

I would like to welcome you all here today as we come to vote on a number of resolutions that are important for the ongoing development of Rex Minerals Ltd ("Rex" or "the Company"). Before we move into the specific resolutions for today I would like to take the opportunity to provide you with a brief summary of our recent results and plans for the transition of the Company from an explorer to a development/operating company.

Hillside: Improving as each month passes.

As documented in the March 2012 quarterly report, Rex's exploration and infill drilling continue to improve the economic prospects for the Hillside project. This work will form part of the Hillside pre-feasibility study due in the September 2012 quarter.

In particular, the successful discovery of shallow and continuous high-grade copper mineralisation is expected to deliver a range of start-up options for Hillside. In addition, new discoveries at depth give us the ability to grow the global Resource at Hillside. This will impact on mining costs and mine life, as well as the overall economics of the project.

The next six months will be busy for Rex as we advance the development options for Hillside. We are in this position because of the foundation we have laid over the past year. This includes a number of major achievements:

Resource: In July 2011, we announced a JORC compliant Mineral Resource Estimate of 217Mt @ 0.7% Cu. This was based on almost 400 holes and 146,000 metres of drilling and was achieved in just 18 months. Hillside today has some 663 holes and 205,000 metres in the data base. We look forward to the release of a further Resource up-date in the middle of this year. Hillside remains as one of the largest and best copper/gold discoveries in Australia over the past decade.

Grade: A year ago the southern portions outside the Hillside resource envelope were being tested. In the space of six months this new area has firmed up as a high-grade and shallow copper section for what could be the starting point for mining at Hillside. The potential impact on project economics is clear.

Supporting Studies: Last year we commenced work programmes on metallurgical testing, geotechnical support, hydrology and other studies. We are now nearing completion of this work.

Pre-Feasibility: In October 2012 we announced a conceptual study for a 15Mtpa plant producing 100,000 CuEq of copper, gold and magnetite. The study showed competitive operating costs and a number of infrastructure and logistics advantages - no need for a new rail line, ports, new power or a Fly-In/Fly-Out workforce. The upcoming pre-feasibility study should reaffirm this.

Regional: The regional exploration program has also been ongoing. Two drill rigs have been dedicated to this cause since the start of the year and continue to test our highest priority targets. Copper-gold intersections from this program to date have provided evidence of mineralisation and advanced our geological thinking. Evidence of potentially economic mineralisation took 18 holes at Hillside and we are confident that we will ultimately be rewarded.

Capital Raising to further advance Hillside:

At the beginning of 2012, we had \$56 million of cash which was sufficient to commence the regional drilling program, deliver the Hillside pre-feasibility study and to complete the bankable feasibility study in early 2013.

As the exploration drilling results in 2011 and 2012 have accumulated and various studies progressed, the Company's confidence in Hillside has further increased and your Board's attention has turned to how best to advance Hillside and expedite its development when the pre-feasibility and bankable feasibility studies are completed.

For this reason Rex has raised \$42 million – of which \$14.9m – by way of shareholder approval is being sought today.

This additional funding is important in a number of interrelated ways, including;

- i) Providing us with a buffer, should volatile economic conditions deteriorate at a crucial time when the Company is looking to secure or finalise project finance.
- ii) Allowing Rex to undertake project-finance and off-take negotiations from a solid position.
- iii) Paying for deposits and some long lead items that will be critical ingredients in the bankable feasibility study, thereby providing greater surety on projects cost and greater confidence on development timetables.
- iv) Fund an expansion of the management and project development teams that have the experience and capability to oversee Hillside's development.
- v) Fund aspects of the front end engineering design and preliminary work undertaken by engineering procurement construction ("EPC") contractors.

This is all part of the transition of Rex from explorer to 'developer and operator' of a substantial new Australian copper project. There are very few near term projects of Hillside's scale with the potential for +15 year development and such enviable logistics advantages.

The Rex board is experienced and understands the requirements to make the transition through to a successful operating company.

Regulatory Environment: Of concern to the financial health to all in the exploration and mining sector is the increasingly adverse regulatory environment in Australia. Australia's largest export earning industry should be encouraged to explore and to grow so as to provide real flow-on benefits to Australians. The mining industry pays taxes and contributes to our communities. We remain strongly opposed to additional tax burdens on the exploration industry and junior mining sector which represent the lifeline for Australia's future mining industry.

We are also concerned about the impact and uncertainty regarding other development hurdles and cost imposts including carbon taxes, royalty increases, reduction in investment incentives and industrial relations changes. The individual let alone cumulative impact of these changes poses significant hurdles for new developments such as Hillside. These actions are short sighted and merely serve to make Australia less competitive and to shift investment and jobs to our offshore competitors.

In closing, I would like to thank our all of our stakeholders who are continuing to support the Company through the various stages that we are progressing through during the exploration phase. We now look forward to embarking on the next stage of growth for the Company as we complete the feasibility studies, secure financing and commence the construction phase.

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.

For Comment and Further Details

For more information about Rex Minerals and its projects please visit our website www.rexminerals.com.au or contact:

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