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COPPER SA | GOLD NEVADA

2023

ANNUAL REPORT

ABN 12 124 960 523



2023

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CORPORATE DIRECTORY

DIRECTORS

Mr Ian Smith (Non-Executive Chairman)
Mr Richard Laufmann (CEO and Managing Director)
Ms Amber Rivamonte (Executive Director)
Mr Greg Robinson (Non-Executive Director)
Mr Andrew Seaton (Non-Executive Director)

COMPANY SECRETARY

Ms Kay Donehue

PRINCIPAL and REGISTERED OFFICE

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151 Pirie Street
Adelaide, South Australia 5000

BANKERS

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Adelaide, South Australia 5000

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LEGAL ADVISORS

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OPERATION LOCATIONS

HOG RANCH
NEVADA USA

HILLSIDE
SOUTH AUSTRALIA

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LETTER FROM THE CHAIRMAN For the year ended 30 June 2023

Dear Fellow Shareholder,

The last 12 months have been intense, beginning with the release of our Optimised Feasibility and Definition Phase Engineering Study (OFS) for our Hillside Copper-Gold Project in December. In the first half of 2023, we commenced our final funding phase at Hillside, whilst concurrently accessing our strategic options for our Hog Ranch Gold Property.

We are in a solid financial position, with over \$10m in cash at bank and zero debt, to execute on these plans as we head into a new and defining financial year. We welcome new shareholders, and we thank all our long-standing shareholders and stakeholders for their support and encouragement.

Our strategic holdings are 100% ownership of two significant assets – each “company makers” in their own right – in arguably the best locations on the planet for resource discovery and development – copper in South Australia and gold in Nevada USA.

Advancing the Hillside Copper Project, discovered by Rex, is a venture that epitomises audacity, persistence and vision. Our resolute objective is to develop this asset, the fourth-largest copper Ore Reserve in Australia. This aspiration echoes the spirit that fostered the rise of Australia's eminent resource giants.

We are in discussions with interested equity partners and debt providers who share our outlook both on the copper market and in recognising the enormous value of an investment in a greenfield project of this scale.

With the release of the OFS, we reconfigured the Hillside Project for growth and expansion whilst absorbing the global capital and operating reality of inflation. Amidst the inevitability of the ongoing global energy transition, we face the “train wreck” which is the copper supply chain. The majors are accumulating or consolidating existing production – BHP buys OZ, Newmont buys Newcrest, Glencore bids components of Teck – but none of these deals add to the looming copper production shortfall.

Given the reality of the copper thematic, the South Australian Government has again shown leadership and formally classified copper as a “Critical Mineral,” aligning it with the European Union, Canada, Japan, India, China and now the United States.

Hillside, with truly outstanding ESG credentials, permitted in Australia and with the scale and life to deliver into this future, is the right place and right time to invest.

Positive relations with local indigenous groups, surrounding land holders, regional communities and government agencies remain at the forefront of how we go about our business. These will prove crucial in how we execute and deliver this nation building project.

At Hog Ranch, with a Mineral Resource of 2.3 million ounces of gold, we have significantly added to our understanding of the potential and scale of this discovery. Our Strategic Review, currently underway, underscores our belief in this asset as well as our commitment in considering our options and ensuring that we harness the full potential and scale of this outstanding opportunity.

Our team is still relatively small, but fit for purpose. In the year in review, we have continued to build the size and capacity of our team, and it is paying significant benefits. They have done outstanding work to deliver an updated plan and have continued to execute on the operational readiness whilst pursuing the holistic funding solution to take our Company into development at Hillside. We look forward to reporting on the next phase of Rex's journey.

Yours sincerely,



Mr Ian Smith
Chairman

REX MINERALS LTD

REVIEW OF OPERATIONS For the year ended 30 June 2023

CORPORATE

Rex Minerals Ltd (Rex or the Company) is an investment in copper and gold. The Company has two assets: Hillside Copper-Gold Project (Hillside or the Project) and Hog Ranch Gold Property (Hog Ranch) each are significant assets in their own right, with enormous "greenfield" and "brownfield" exploration upside.

In response to the evolving dynamics of a global inflationary cycle in 2022, the Company undertook a comprehensive reassessment of the Hillside Project's fundamentals to effectively address challenges related predominantly to supply chain and labour inflation. This initiative culminated in the release of the Optimised Feasibility and Definition Phase Engineering Study (OFS) in December 2022.

Following significant inbound inquiry, the Company announced in February 2023 that Macquarie Capital had been appointed as Financial Adviser to assist in managing a structured project equity partnering process for the Hillside Project. A broad range of highly credible parties, all of whom share our positive outlook on the future of copper and an interest in Hillside, are actively engaged in evaluating the information provided in the data room. Participants include domestic and international mining companies, private equity groups, and metals trading houses and refiners. Their involvement has the potential to significantly augment the value of the Project for the benefit of Rex's shareholders.

Concurrently, we are focused on structuring a senior debt solution for Hillside. Domestic and international banks, with deep experience in supporting Australian mining and development projects, have demonstrated robust interest in providing funding. As part of this process, leading consultancy Behre Dolbear Australia has been engaged in the role as the Lenders' Independent Technical Expert (ITE), tasked with conducting rigorous technical due diligence and producing a comprehensive ITE report tailored to complement financier risk assessments of Hillside.

In May 2023, Rex announced that it had initiated a strategic review of Hog Ranch, aimed at expediting exploration efforts and substantially amplifying the scope and inherent value of the Property. The review will consider a suite of funding alternatives and also take into account recent inbound interest in the Property. The Company appointed Treadstone Resource Partners to manage the strategic review process for Hog Ranch.

Key milestones for the year in review are outlined below.

KEY MILESTONES

Hog Ranch Plan of Operations for exploration submitted with regulator	August 2022
Completed a large-scale soil survey on the ground at Hog Ranch	August 2022
Letter of Intent (LOI) signed with Thiess to provide mining services for Hillside	August 2022
Hog Ranch gold trend extended	December 2022
Hillside Mineral Resource and Ore Reserve updated	December 2022
Hillside Optimised Feasibility and Definition Phase Engineering Study (OFS) released	December 2022
Macquarie Capital appointed to initiate search for Hillside equity funding partner	February 2023
Hillside Mine Community Consultative Committee announced	March 2023
LOI with Hitachi executed for long lead Hillside mining fleet	May 2023
Strategic Review of Hog Ranch, with Treadstone, initiated	May 2023
Successful completion of \$8 million Placement	August 2023

In August 2023, Rex raised \$8.0 million via a Placement to institutional and sophisticated investors. The Placement comprised the issue of 40.0 million new fully paid ordinary shares (Shares), at \$0.20 per Share, to raise A\$8.0 million. Participants also received one unquoted Option for every two Shares subscribed for under the Placement. The Options have an exercise price of \$0.30 and an expiry date of 9 August 2024. A total of 20 million unquoted Options were issued.

CORPORATE (CONTINUED)

Vision, Purpose, Values

The Company’s vision acknowledges the significant role of copper as a critical mineral in the global shift towards new technologies required for a low-carbon economy. Our vision is to: **“produce the minerals needed for the world we all envision.”** The Company’s purpose sets out how it aims to realise its vision: **“explore and mine responsibly to benefit our stakeholders and contribute to a more sustainable world.”**

The vision and purpose are underpinned by the Company’s values of responsibility, teamwork, respect, integrity and growth. These values reflect the Company’s commitment to the people, communities and environment associated with its activities, the ethical and transparent way it does business and the sustainable and positive impact it strives for.

It is expected that the vision, purpose and values, will guide the Company’s progress, be the reference point for decision making and will inspire the Company’s people as it transitions to the next stage of development.

Sustainability

Rex has always worked to understand the issues of importance for local communities and regions more broadly, where we operate. At the outset, we designed Hillside to protect and promote the environment, social and economic values of the region. The same approach is being taken at Hog Ranch.

This strategy recognises the strong and experienced leadership of the Board and management team in Environmental, Social and Governance (ESG) risk management. Our governance framework and policies – on sustainable development, gender, diversity and inclusion, and people and culture – will continue to evolve and refine as we grow and reflect the Company’s ambition, progress and contribution to a greener, more inclusive and equitable global future.

Our sustainability commitments, aligned with relevant industry requirements and frameworks, including the UN Sustainable Development Goals, are now being redefined as global and national expectations drive more defined and rigorous targets for ESG performance.

Hillside’s approved Mineral Lease and Program for Environmental Protection and Rehabilitation (PEPR) set out the Project’s license conditions and the Company plans to positively manage its environmental and social impacts. This process has taken into consideration the needs of local stakeholders and outlines in detail how the Company will manage the development and operations of Hillside to achieve the outcomes sought by the Company and its stakeholders.

The Company continues to progress its strategy for sustainable development which includes:

- health and safety as its top priority
- managing its material risks to, and impacts on, people and the environment
- valuing diversity and promoting inclusivity, and
- supporting communities, where it operates, to build resilience and thrive.

At Hog Ranch, after three years of extensive flora, fauna and archaeological baseline studies, we anticipate an outcome by the end of 2023 on our exploration “Plan of Operations”, which now sits with the relevant regulatory bodies.



Photo 1 : Klynton Wanganeen and Jason Schell at Narungga Nation native title consent determination.

OUR COMMITMENT

Rex strongly believes in the contribution metals, hence mining, make to modern society, with the growth in renewable technologies further increasing the demand for metals such as copper.

While mining also contributes significantly to employment and State and National economics, responsible mining can provide sustainable benefits for the communities in which it occurs. Rex is committed to working in partnership with the local stakeholders and communities to identify and achieve sustained community benefits.

Rex commits to being a responsible member of the communities in which we operate while delivering value to all stakeholders through:

- maintaining an economically sustainable and responsible business
- open and inclusive stakeholder engagement
- contributing to the local, regional, State and National economy
- partnering with local stakeholders and communities to enhance community capacity, and
- contributing to local environmental sustainability.

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REX MINERALS LTD

REVIEW OF OPERATIONS (Continued) for the year ended 30 June 2023

CORPORATE (CONTINUED)

Gender, Diversity and Inclusion

The Board has established a stand-alone Gender, Diversity and Inclusion Policy. The Company has achieved its measurable objectives for gender diversity. At 30 June 2023, female representation was 30% of the total workforce, with women comprising 20% of the Rex Board and 33% of senior Executives.



Photo 2 : Cherie Leeden and Debra Struhsacher representing Rex and the industry in Washington DC, meeting politicians regarding the importance of the US exploration and mining sector.

Climate Change

The Company understands that climate change is a significant global challenge and that as a responsible corporate citizen it must identify, assess, action and report its response to climate change challenges. Rex’s approach to climate change – how it manages mitigation and adaptation to climate change impacts, both physical and transitional, as well as the opportunities and risks associated with the transition to a low-carbon future – is evolving as our projects progress.

The underlying facts depicted in Figure 1 below are indisputable: without sufficient copper there can be no seamless clean energy transition. This reality is profound and has not been lost on the South Australian Government, who lead the way on clean energy transition. In August 2023, South Australia formally classified copper as a “Critical Mineral”. This strategic classification aligns South Australia globally with the European Union, Canada, Japan, India, China, and now, the United States.

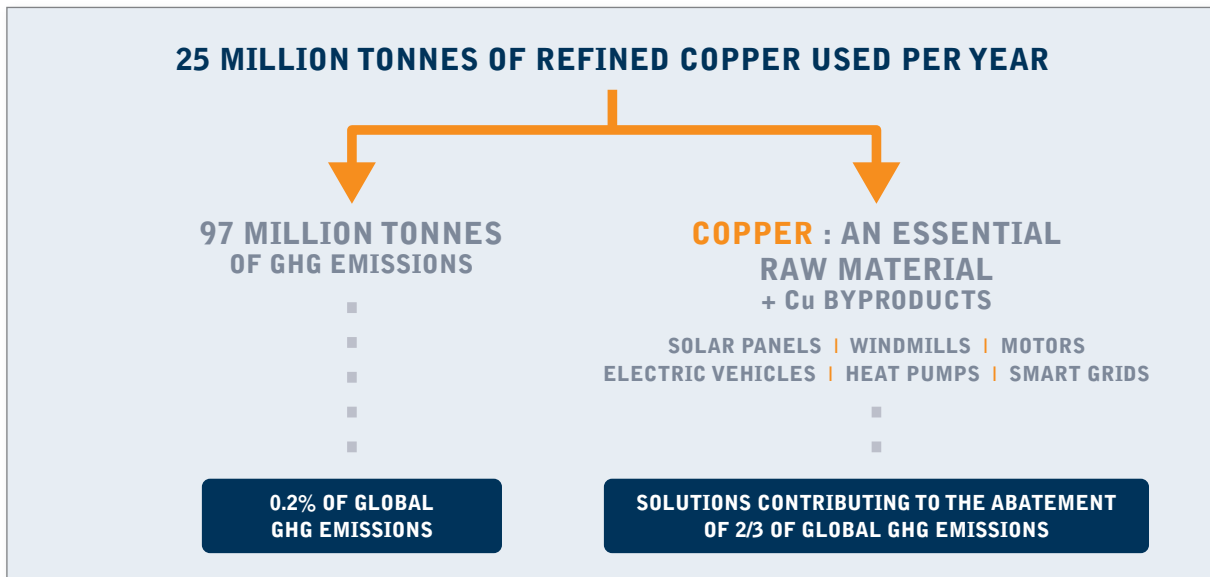


Figure 1 : Cost Benefit Analysis of Copper GHG Emissions, source “Copper – Pathway to Net Zero”, International Copper Association March 2023.

The Hillside Project has now been designed to be capable of incremental expansion, from 6Mtpa to 8Mtpa and eventually up to 10Mtpa in Stage 2. Over Stage 1, Hillside will generate the equivalent of 1,623,642t of carbon dioxide (scope 1 and 2 emissions). This is made up of 48% liquid fuels, 50% electrical power (grid) and 1-2% explosives. This equates to approximately 3.45t of CO_{2e} emissions for every tonne of copper dispatched in concentrate.

REX MINERALS LTD

REVIEW OF OPERATIONS (Continued) for the year ended 30 June 2023

CORPORATE (CONTINUED)

Climate Change (Continued)

At Hillside we have plans to progressively reduce these CO₂ emissions, in the first instance through the planned power purchase agreement from the South Australian electricity grid from its already high renewable level of 70% (Figure 2) to 100% renewable by 2030¹. We have the plans to drive further reductions with the addition of up to 40MW of solar on Rex freehold land.

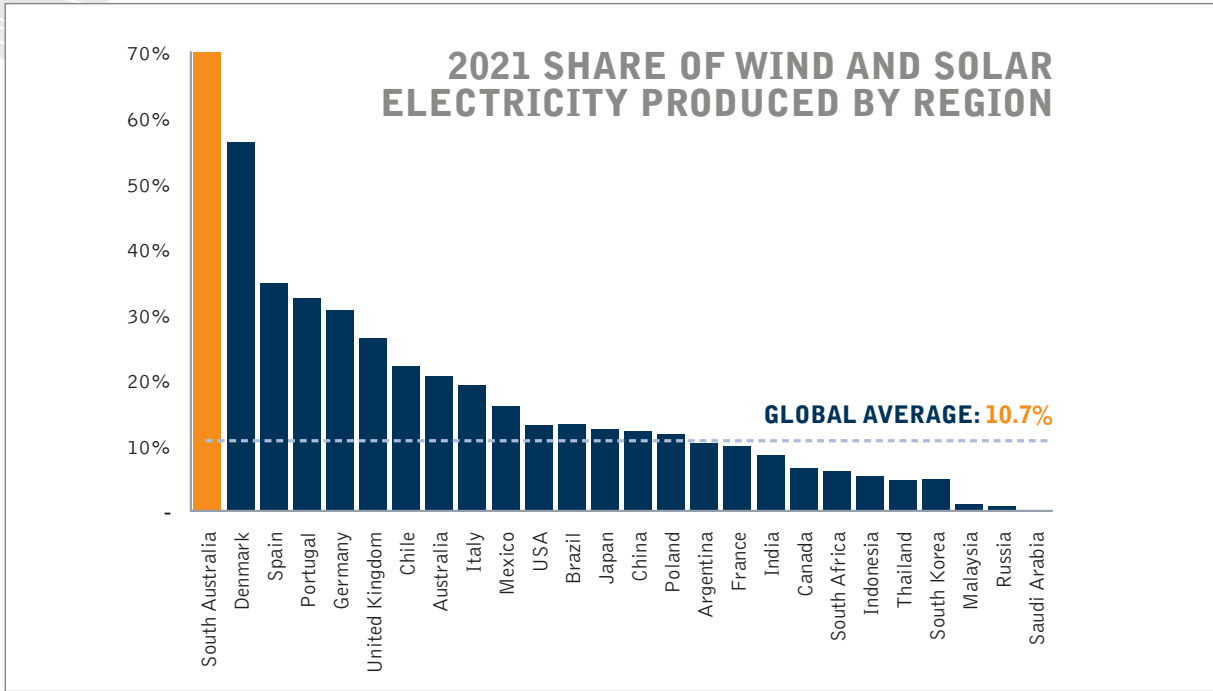


Figure 2 : 2021 share of wind and solar electricity produced by region (Enerdata 2021, DTI analysis).

Further abatement opportunities are factored into our designs, with the large mobile fleet having been selected on the basis that a blueprint exists for conversion using Original Equipment Manufacturer (OEM) electrification solutions, as they become available and are proven.

¹Government of South Australia (2023). Department for Energy and Mining: South Australia A global force in renewable and hydrogen energy.

HILLSIDE PROJECT – SOUTH AUSTRALIA

Rex is developing its 100% owned, flagship copper-gold Hillside Project, located 165km from Adelaide and 12km south of the Ardrossan township on the Yorke Peninsula, South Australia. Hillside is an Iron Oxide Copper Gold (IOCG) deposit, under shallow cover, in the Gawler Craton, which collectively hosts the largest copper producing projects in Australia.

Hillside today is the 4th largest copper Reserve in Australia, with a Resource that currently contains 1.9Mt of copper (Cu) and 1.5Moz of gold (Au) and is one of the most significant projects in Australia.

On 14 December 2022, Rex announced that it was moving ahead with project financing and Operational Readiness plans following completion of the OFS.



REX MINERALS LTD

REVIEW OF OPERATIONS (Continued) for the year ended 30 June 2023

HILLSIDE PROJECT – SOUTH AUSTRALIA (CONTINUED)

High level key points of the OFS are as follows:

- **Project Value for Stage 1**
 - > Net Present Value (NPV) A\$1,252 million (pre-tax), NPV of A\$847 million (post-tax)
 - > Internal Rate of Return (IRR): 19% (*nominal IRR 23%*)
 - > C1 cash costs of US\$1.52/lb copper
 - > 4.3-year payback period.
- **Scale and Opportunity** – Stage 1 (11 years) lays the foundation for a 20 plus year operation, extracting only around half of the current Ore Reserve. Substantial potential exists for Mineral Resources and Ore Reserves growth, leading to mine life extension and higher processing rates beyond Stage 1.
- **First Production** – Annual payable metal of circa 42kt Cu and 30koz Au to follow ramp-up.
- Estimated **pre-production capital cost** of A\$854 million (US\$598 million) all-inclusive of full fleet, pre-strip and contingency.
- **Team** – Board and Management have significant experience in delivering similar projects in Australia and internationally.
- **Contribution** – Hillside to provide employment for over 500 people during construction and over 400 during operations (over A\$600 million in payroll), contributing over A\$200 million in state royalties.
- **Regulatory Approvals** – Key approvals are in place to allow commencement of development and mining operations.

Operational Readiness

Rex is progressing with its Operational Readiness plans for Hillside, advancing EPCM definition phase engineering and development of major contracts with key contractors for processing, mining and associated infrastructure requirements. This includes building of the owner and partner teams consistent with the Operational Readiness schedule and plan. We are continuing with extensive on and off-site environmental monitoring for operations and with existing on-ground pre-development activity. Key regulatory approvals are now in place to allow commencement of development and mining operations including lodging and approval of the \$34.2 million rehabilitation bond.

Mineral Resources

The Mineral Resources estimate at Hillside remains one of Australia's largest for copper. It includes information from 608 diamond drill holes and 245 reverse circulation (RC) drill holes for a total of 239,000m of drilling. Rex announced an updated Mineral Resources and Ore Reserves estimate on 14 December 2022.

Zone	Resource Category	Tonnes (Mt)	Copper (%)	Gold (g/t)	Contained Copper (kt)	Contained Gold (koz)
Oxide Copper	Measured	16	0.54	0.22	88	114
	Indicated	4.4	0.49	0.12	21	17
	Inferred	0.2	0.76	0.22	1.6	1.5
Secondary Sulphide	Measured	8.8	0.62	0.20	55	58
	Indicated	3.0	0.57	0.13	17	13
	Inferred	0.1	0.61	0.07	0.7	0.3
Primary Sulphide	Measured	47	0.54	0.16	253	248
	Indicated	143	0.59	0.13	837	596
	Inferred	114	0.55	0.13	623	479
Total		337	0.56	0.14	1,897	1,528

Table 1: Hillside Mineral Resources Estimate – December 2022.

Estimates have been rounded to the nearest Mt of ore (to the nearest 0.1Mt where <10Mt), two significant figures for Cu and Au grade and to the nearest kt of Cu metal and kozs of Au metal (to the nearest 0.1kt where Cu <10kt, 0.1koz where Au <10koz). Some apparent errors may occur due to rounding.

REX MINERALS LTD

REVIEW OF OPERATIONS (Continued) for the year ended 30 June 2023

HILLSIDE PROJECT – SOUTH AUSTRALIA (CONTINUED)

Ore Reserves

The 2022 Ore Reserves are based on the Stage 2 Pre-Feasibility Study transition plan completed in 2021 (ASX announcement 14 December 2022).

The Stage 2 transition plan is a series of phased pushbacks that begin during the Stage 1 Mine Plan (Figure 3). Stage 1 is approved under the PEPR. A decision to transition to the Stage 2 Mine plan could occur by year five. Under this transition plan, the Stage 1 open pit can transition to Stage 2 and continue for more than 20 years of an updated open pit mine schedule at processing rates up to 8Mtpa.



Photo 3 : Aerial view of drill core from diamond drilling at Hillside.

Category	Tonnes (Mt)	Copper (%)	Gold (g/t)	Contained Copper (kt)	Contained Gold (koz)
Proved	61	0.50	0.16	301	307
Probable	125	0.55	0.13	688	527
Total	186	0.53	0.14	989	834

Table 2: Hillside Ore Reserves – December 2022.

Calculations have been rounded to the nearest Mt of ore, 0.01% Cu grade, 0.01g/t Au grade, 1,000t of Cu metal and 1,000ozs of Au metal. Some apparent errors may occur due to rounding.

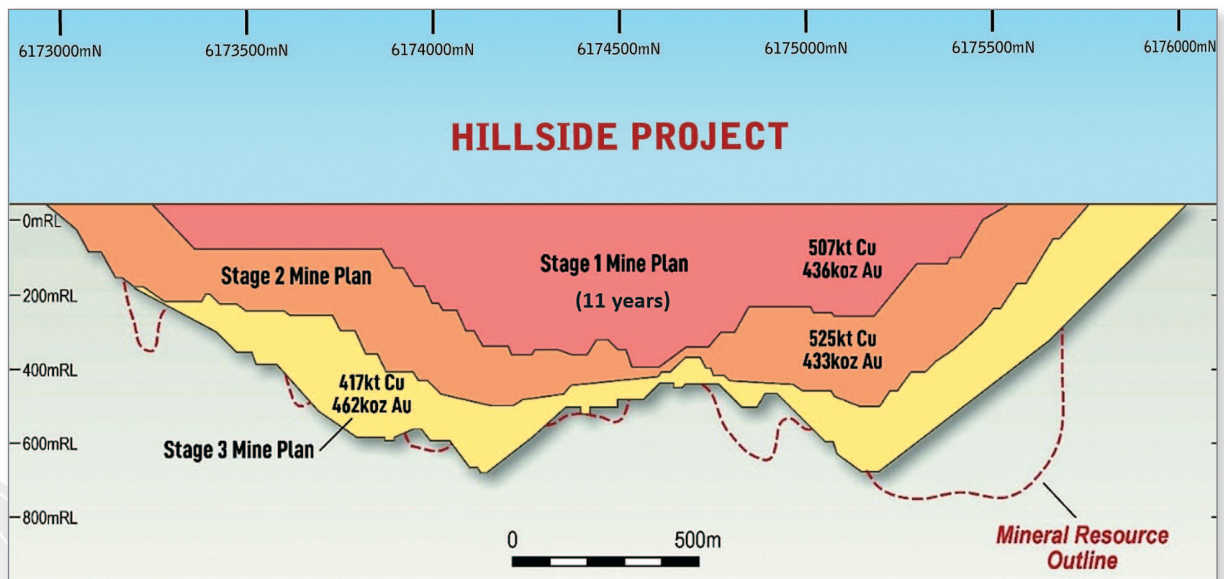


Figure 3 : Hillside Stage 1 (11 years) and Stage 2 open pit mine looking west.

The Stage 2 mine plan extends from near-surface to a depth of 560m, which is shallow for IOCG deposits on the Gawler Craton. Rex believes that there is potential to increase the Mineral Resource and Ore Reserves down dip and along strike from the existing Mineral Resource as there has been limited drilling below 600m from surface and along strike from the Hillside orebody.

HILLSIDE PROJECT – SOUTH AUSTRALIA (CONTINUED)

3D Seismic and Structural Diamond Drilling at Hillside

After completion of the 3D seismic survey in 2022 (ASX announcement 7 June 2022), two deep diamond drill holes (HDD 585 and HDD 586) were completed down to a vertical depth of approximately 1,200m, each underneath the existing Mineral Resource at Hillside. These drill holes were placed to test for key host rock characteristics and structures for mine planning and add important context for the 3D seismic interpretation at depth.

The two holes confirmed the extensive nature of alteration and structural deformation directly below the Hillside Mineral Resource as was indicated by the results from the 3D seismic survey (see Figure 4 below). The current Mineral Resource is now interpreted to be the up-dip expression of a potentially much larger mineralised system which may continue to significant depths.

The results of the 3D seismic survey and follow-up deeper drilling indicate that a larger inventory of copper mineralisation may exist at Hillside with numerous new target locations defined for follow-up testing.

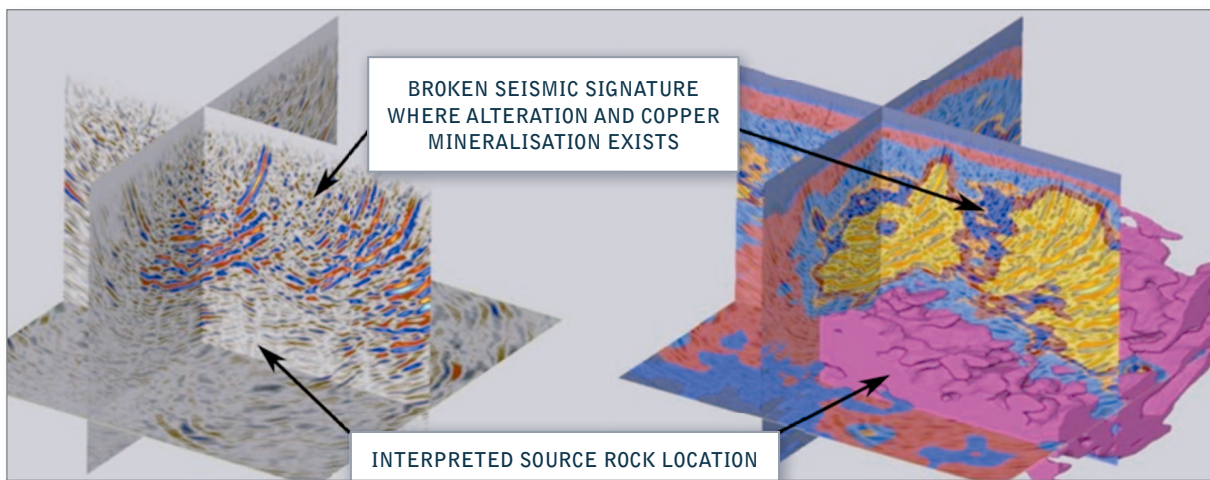


Figure 4 : Imagery of the Hillside area as defined from the 3D seismic survey highlighting the interpreted position of a possible source rock at depth and the continuity of the alteration zone which hosts the current Hillside Mineral Resource which appears to extend down deeper into the source rock position.

Health, Safety, Environment (HSE)

There were no incidents at Hillside involving people, property, or the environment during the reporting period. There were no HSE complaints or grievances raised by the local community or other stakeholders during the reporting period.

The Company is continuing activities, including progressive installation of environmental monitoring equipment to log air quality, noise, vibration and air overpressure data. In addition, we are working with local residents and have begun a rainwater tank water monitoring system.

Key to all our activities is our continued work on promoting internal discussions and checks regarding the integration of sustainability principles and ESG in our design and establishing methodologies to provide Project HSE updates to all relevant stakeholders.



Photo 4 : Hillside Slope rehabilitation trials.



Photo 5 : Hillside PM10 environmental dust monitoring.

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REVIEW OF OPERATIONS (Continued) for the year ended 30 June 2023

HILLSIDE PROJECT – SOUTH AUSTRALIA (CONTINUED)

Community

As we establish our development and operational presence in South Australia, both in Adelaide and Ardrossan, Rex remains the only ASX company to have its registered office located on the Yorke Peninsula. This forward-facing presence will ramp up as development proceeds. Locally, Hillside will contribute significantly to the SA Government’s plans for establishing the State as a world-leading copper precinct, via its Copper Strategy².

The first meeting of the Hillside Mine Community Consultative Committee (HMCCC) was held on 6 February 2023, and members of the new Committee were announced.

The HMCCC replaces the former Hillside Mine Community Voice (HMCV) and has been established to ensure an effective and ongoing relationship between Rex and the Yorke Peninsula community, particularly those residents surrounding the Hillside Project.

The HMCCC will consider the common interests of the community and provide feedback and advice to Rex to assist with Rex’s decision-making and operational activities at the mine site that are ultimately of interest or benefit to the wider community.



Photo 6 : Members of the HMCCC following their appointment in February 2023.



Photo 7 : Thomas Schell using one of the simulators at the Immersion Day

The Company’s direct engagement with the broader community is growing. In June 2023, over 200 people attended a very successful information night at the Ardrossan Town Hall. This forum provided the community with an update on the Hillside Project, and the opportunity to speak with members of the Project team. On the night, many registrations of interest for business and employment opportunities were received.

Also, in June 2023, Rex, supported by some of the Project’s partner contractors, participated in the Ardrossan Area School *Resources and Infrastructure Immersion Day*. Around 200 students and teachers from seven schools across the Yorke Peninsula participated in the hands-on day, which included heavy machinery, simulators and a Hillside site visit. The day was a huge success, providing firsthand experiences and insights into career pathways and the industry.

The Immersion Day has been the catalyst for more opportunities for students, including a Certificate II in Infrastructure and Resources being offered by the Ardrossan Area School for students next year. Rex looks forward to continuing to support education and career pathway initiatives as Hillside develops.



Photo 8 : Students at the Ardrossan Area School Resources and Infrastructure Immersion Day.

²Government of South Australia (2016). Department for Energy and Mining: South Australia’s Copper Strategy. Adelaide, South Australia.

REX MINERALS LTD

REVIEW OF OPERATIONS (Continued) for the year ended 30 June 2023

HILLSIDE PROJECT – SOUTH AUSTRALIA (CONTINUED)

Community (Continued)

In March 2023, the Narungga Nation consent determination ceremony was held at Point Pearce. Rex supported this important process and would like to honour the memory of Tauto Sansbury, a tireless campaigner for the Narungga and all Aboriginal people. Tauto is survived by his partner Grace (photo published with permission of the family).



Photo 9 : Narungga people pictured alongside Federal Court of Australia representatives at the handing down of the determination, including a photo of Tauto Sansbury. (Main Photo courtesy of YPCT).



Photo 10 : Katherina Mazai-Ward: 2023 Resources Sector Honours Scholarship, Tate Parsons: 2023 Resources Sector Engineering Scholarship, Richard Laufmann: Rex CEO.

Rex continued its support of the Playford Trust Scholarship program in 2023 and participated in the Annual Resources Sector Awards Night on 22 June 2023. The Company supports two students each year with their studies, one under the Playford Trust Resources Sector Engineering Scholarship and the second, in conjunction with the SA Government, being the Playford Trust Resources Sector Honours Scholarship. Rex is proud to continue its association with the Playford Trust.

SOUTH AUSTRALIAN TENEMENT SCHEDULE at 30 June 2023

South Australia					
Tenement	Location	Lease Status	Area Type	Area	Date
EL5981 ¹	Moonta South	Granted	km ²	68	22/06/2022
EL6136 ¹	Moonta South	Granted	km ²	91	19/03/2023
EL6143	Moonta South	Granted	km ²	51	15/04/2023
EL6189 ¹	Moonta South	Granted	km ²	328	01/08/2022
EL6245 ¹	Moonta South	Granted	km ²	1,091	01/08/2022
EL6455	Moonta South	Granted	km ²	74	04/11/2024
EL6497	Moonta South	Granted	km ²	254	27/07/2025
EL6515	Moonta South	Granted	km ²	257	20/09/2025
EL6531	Moonta South	Granted	km ²	21	09/06/2025
ML6438	Hillside	Granted	Ha	2,998	15/09/2035
EML6439	Hillside	Granted	Ha	225	15/09/2026
MPL146	Hillside	Granted	Ha	94	15/09/2035

¹Renewal documentation submitted to the South Australian Government and currently being processed.

REX MINERALS LTD

REVIEW OF OPERATIONS (Continued) for the year ended 30 June 2023

HOG RANCH GOLD PROPERTY – NEVADA, USA

Overview

On 16 May 2023, Rex announced that it had commenced a review to accelerate exploration and substantially increase the scale and therefore value of Hog Ranch. The review will consider a suite of funding alternatives and also take into account recent inbound interest in the Property.

Rex believes that fast-tracking a substantial exploration program and subsequent feasibility studies at Hog Ranch is likely to provide a unique opportunity to define and develop a large gold operation, across what is already a significant "Gold Trend." The current mineralised trend extends for approximately 16km. The operational strategy planned by Rex aims to define and enhance the potential at Hog Ranch with specific focus on:

- Substantially expanding the shallow oxide Mineral Resource at the Krista and Bells Project locations (up from the current 2.1Mozs oxide portion of the gold Resource)
- Building on the gravity, soil sampling and 3D induced polarisation (IP) data which indicates that considerable sulphide hosted gold exists around the Airport Project location
- Exploring for the most well-endowed part of Hog Ranch which is interpreted to exist at depth at Krista West and the White Mountain Project locations; and
- Commencing feasibility studies focusing on a new large-scale open-pit and heap leach gold operation at Bells and Krista combined, targeting circa 200kozs gold per annum.

The Company will explore various options for Hog Ranch, including a review of recent inbound expressions of interest, joint ventures and other funding options or partnerships. Rex has appointed Treadstone to assist and manage the Hog Ranch Strategic Review.



Photo 11 : Hog Ranch Gold Property.

Regional Survey Results and Interpretation

Rex completed a suite of regional programs, including a large-scale, regional soil sampling (see ASX announcement 19 December 2022) to provide a clearer understanding of the greater potential of the broader Hog Ranch Property. The datasets now completed are largely the culmination of the past two years' exploration effort. These new datasets, in conjunction with a number of RC drilling campaigns, have resulted in a substantial increase to the Mineral Resource and a much larger portfolio of targets which exist along an interpreted "Gold Trend." This defined "Gold Trend" appears to extend for up to 16km in length across the host rock Caldera Complex that makes up the host rocks to the gold mineralisation at Hog Ranch (see Figure 5 on P13).

REX MINERALS LTD

REVIEW OF OPERATIONS (Continued) for the year ended 30 June 2023

HOG RANCH GOLD PROPERTY – NEVADA, USA (CONTINUED)

Regional Survey Results and Interpretation (Continued)

Further to the regional soil sampling, Rex has also completed a gravity survey focused on the Gillam Prospect (see ASX announcement 19 December 2022) 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 are reflected in the gravity data (see Figure 6 below).

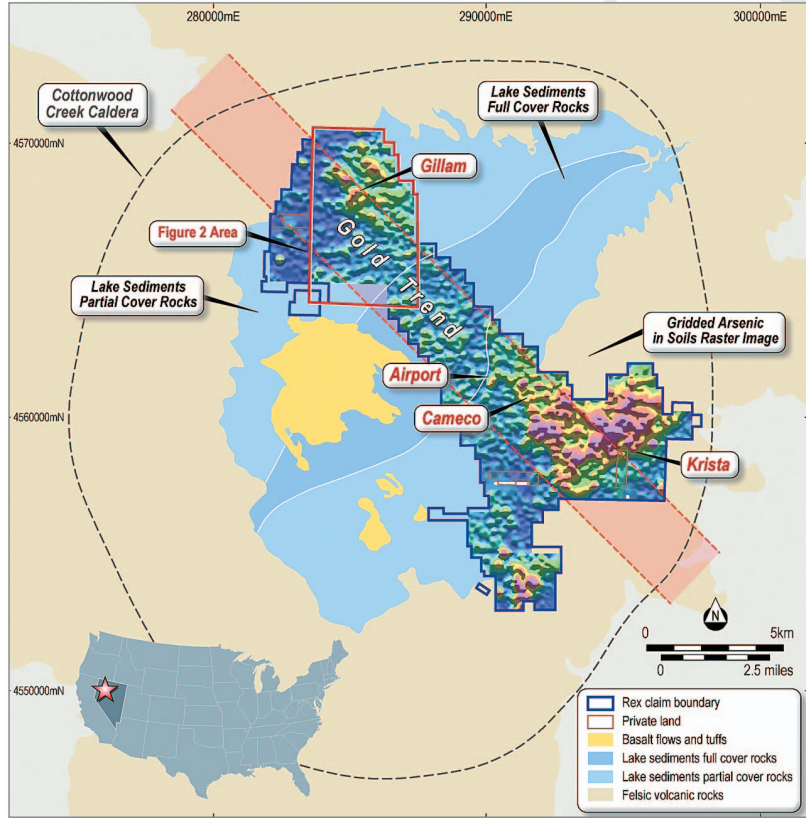


Figure 5 : Regional plan view map of Hog Ranch with the results from a key pathfinder element Arsenic.

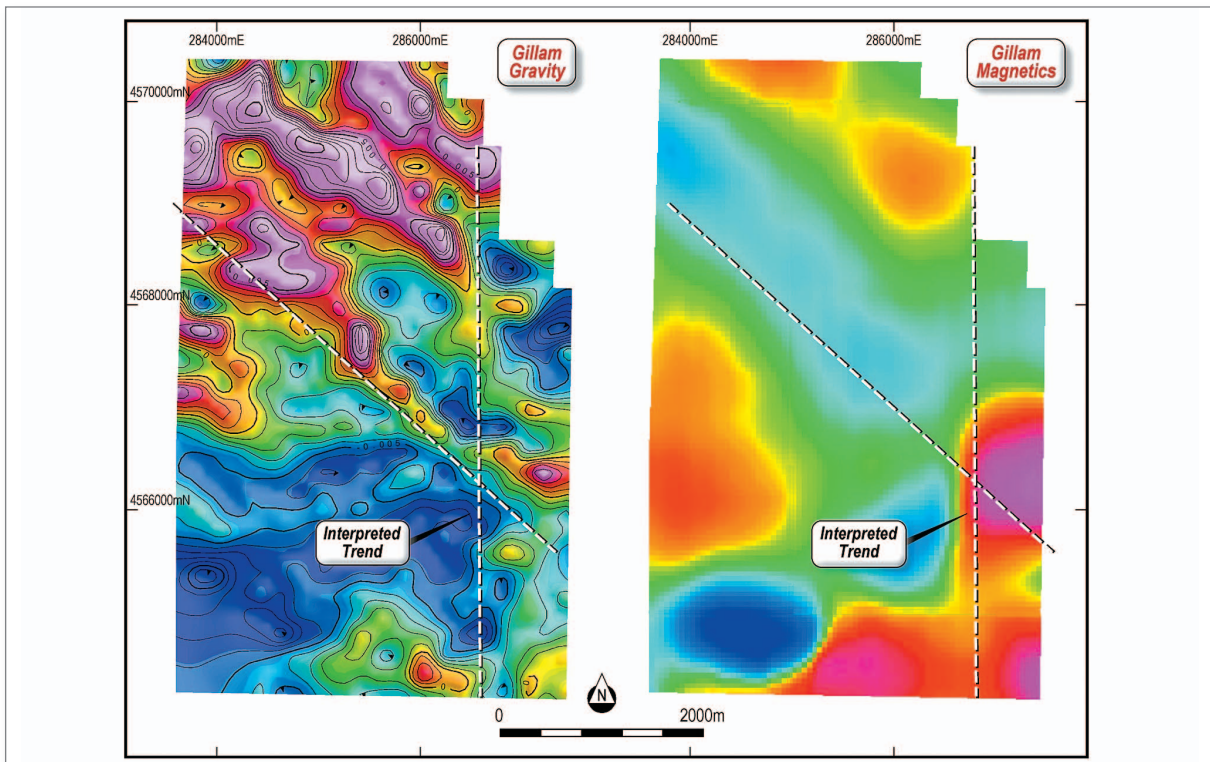


Figure 6 : Results from recent Gillam gravity survey (left) compared with the magnetic survey (right).

HOG RANCH GOLD PROPERTY – NEVADA, USA (CONTINUED)

Drilling Results Summary

A total of 15 RC drill holes were completed at Hog Ranch over the Krista, Airport and Bells Project locations (see ASX announcements on 19 July 2022 and 12 October 2022). The results from the RC drilling continued to indicate that the historical drilling, which was largely completed in the late 1980's, is under-calling the gold content compared to the modern RC drilling programs (see Figure 7).

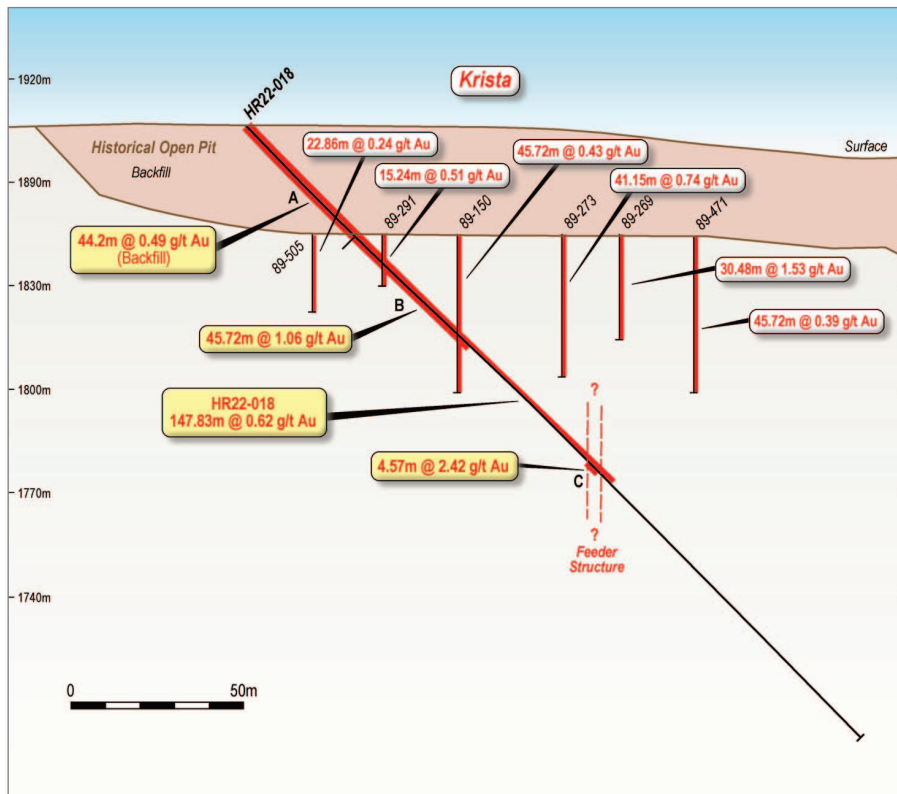


Figure 7 : Cross Section of HR22-018 shown relative to the shallow and mostly vertical historical RC drilling information.

NEVADA, USA TENEMENT SCHEDULE at 30 June 2023

As at 30 June 2023, the Hog Ranch Property is made up of 1,035 unpatented mining claims located in Washoe County, Nevada. Hog Ranch Minerals Inc directly owns 788 Mining Claims (see table below) and controls the remaining 247 Mining Claims through a mining lease with purchase option with Nevada Select Royalty Inc.

Nevada, USA					
Lode Mining Claims	Location	Lease Status	Area Type	Total Area ¹	Date Certified
NHR 1-30	Washoe County	Claimed	Ft ²	27,000,000	10/08/2019
NHR 31-100	Washoe County	Claimed	Ft ²	63,000,000	28/01/2020
NHR 101-232	Washoe County	Claimed	Ft ²	118,800,000	10/07/2020
NHR 233-417	Washoe County	Claimed	Ft ²	166,500,000	19/11/2020
NHR 418-434	Washoe County	Claimed	Ft ²	15,300,000	30/04/2021
GL 1-104	Washoe County	Claimed	Ft ²	93,600,000	10/07/2020
GL 105-177	Washoe County	Claimed	Ft ²	65,700,000	19/11/2020
GL 178-354	Washoe County	Claimed	Ft ²	159,300,000	30/04/2021

¹Total Area comprises the area of each Lode Mining Claim, i.e. 1,500' x 600'.

SUPPLEMENTARY INFORMATION

Forward-Looking Statements

This Annual Report contains "forward-looking statements". All statements other than those of historical facts included in this Annual Report 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, 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.

Compliance Statement

With reference to previously reported Mineral Resources, Ore Reserves, Feasibility Studies and Scoping Studies the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements as referenced.

In the case of estimates of Mineral Resources and Ore Reserves that reference material assumptions and technical parameters underpinning the information, contained within this Annual Report, continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement. The estimated Ore Reserves and Mineral Resources underpinning any production target have been prepared by a competent person in accordance with the requirements in Appendix 5A (JORC code).

Competent Persons' Statement

The information in this report that relates to Exploration Results 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 is 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.

The information in this report that relates to mining and/or Ore Reserves is based on, and fairly reflects, information compiled by Mr Charles McHugh who is a Fellow of the Australasian Institute of Mining and Metallurgy and an employee of Rex Minerals Ltd. Mr McHugh 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 McHugh consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to metallurgy is based on, and fairly reflects, information compiled by Mr John Burgess who is a Fellow of the Australasian Institute of Mining and Metallurgy and a consultant to Rex Minerals Ltd. Mr Burgess 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 Burgess consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Base Case Assumptions – Bells Project

The Bells Scoping Study (2020) price assumptions are quoted in US dollars and gold US\$1,550/oz.

Base Case Assumptions – Hillside Project

The Hillside Feasibility Study (2022) price assumptions for the Stage 1 life of the operation are copper US\$3.92/lb; gold US\$1,610/oz and exchange rate of AUD:USD \$0.70.

REX MINERALS LTD

DIRECTORS' REPORT For the year ended 30 June 2023

The Directors present their report together with the consolidated financial statements of the Group comprising of Rex Minerals Ltd (the Company) and its subsidiaries (the Group or Rex), for the financial year ended 30 June 2023 and the auditor's report thereon.

DIRECTORS

The following persons were Directors of the Company at any time during the financial year and remain so as at the date of this report. There have been no new Directors appointed since the end of the financial year to the date of this report.

Name, qualifications and independence status	Experience, special responsibilities and other directorships
<p>Mr Ian Smith Chairman Independent Non-Executive Director (B.E (Hons, Mining); B Fin Admin; FIEAust; FAusIMM)</p>	<p>Mr Ian Smith has been a Director since 18 February 2019 and was appointed Chairman on 1 June 2021. He also serves as a member of the Audit Committee and the Remuneration Committee.</p> <p>Ian is a mining engineer with more than 40 years' experience in the mining and services sector. He has held some of the most senior positions in the Australian resources industry, most recently managing director and chief executive officer of Orica. Prior to that, he was managing director and chief executive officer of Newcrest, growing the business to what has become Australia's biggest, and globally one of the largest, gold mining companies. Ian is a Fellow of both the Australasian Institute of Mining and Metallurgy and the Institute of Engineers.</p> <p>In prior roles, Ian was global head of operational and technical excellence with Rio Tinto, London and managing director - Comalco Aluminium Smelting with Rio Tinto in Brisbane. He has technical, operational, financial and strategic expertise, having also held senior and executive positions with WMC Resources, Pasminco and CRA. Ian is a past president of the Australian Mines & Metals Association and is a past chairman of the Minerals Council of Australia. Mr Smith is a Non-Executive Director of VHM Limited.</p>
<p>Mr Richard Laufmann Chief Executive Officer and Managing Director (B.Eng (Mining); MAusIMM; MAICD)</p>	<p>Mr Richard Laufmann is a founding director and was appointed Chief Executive Officer and Managing Director in April 2015. Richard, a graduate of the WA School of Mines, is a mining engineer with broad experience in the resources sector – specifically in copper, gold and nickel – both corporately and operationally.</p> <p>Before becoming CEO of Rex, Richard was the chief executive officer of ASX-listed Indophil Resources which had ownership in and management of one of the world's largest undeveloped copper projects (Tampakan). This company operated in an extremely challenging commodity price and geo-political environment.</p> <p>Prior to Indophil, Richard was chief executive officer of ASX-listed Ballarat Goldfields. On joining, he recapitalised and led the company, through feasibility, financing, construction and commissioning of the Ballarat Gold Mine. In early 2007, Ballarat Goldfields was taken over by Lihir Gold.</p> <p>Previously, Richard was the general manager of Gold for WMC Resources, with some of the largest and most diverse surface and underground operations in the country.</p> <p>Richard is a past chairman of the State Council of the Minerals Council of Australia (Victorian division) at the time the State Council merged into the national MCA.</p>

REX MINERALS LTD

DIRECTORS' REPORT (Continued) for the year ended 30 June 2023

Name, qualifications and independence status	Experience, special responsibilities and other directorships
Ms Amber Rivamonte Chief Financial Officer and Executive Director of Finance (CPA; B.Bus(Acc); MAICD)	<p>Ms Amber Rivamonte was appointed as an Executive Director on 1 June 2021.</p> <p>Amber has over 25 years' experience in the resources industry covering the fields of commercial, strategic and risk management, corporate governance and financial management. Amber has a background in accounting and is a Certified Practising Accountant (CPA). Amber has previously held the dual role of chief financial officer and company secretary at Rex Minerals and Ballarat Goldfields, as well as the role of company secretary at Indophil Resources and White Rock Minerals. She has also been a director of a number of companies in Australia and internationally.</p> <p>Amber's experience covers all aspects of managing resources companies, from project acquisition, mergers, demergers, takeovers, schemes and various forms of fund raisings.</p>
Mr Greg Robinson Independent Non-Executive Director (B.Sc(Hons) (Geology); MBA; MAICD)	<p>Mr Greg Robinson was appointed as a Director on 1 June 2021. He is Chairman of the Audit Committee and a member of the Remuneration Committee.</p> <p>Greg has extensive executive experience in the finance and resources industries. He is a Non-Executive Director of Incitec Pivot Limited, and is Deputy Chairman and Non-Executive Director of the Royal Automobile Club of Victoria (RACV) (Chairman of the Audit Committee).</p> <p>Greg is the former managing director and chief executive officer of Newcrest Mining Limited (including six years as chief financial officer and finance director) and former chief executive officer of Lattice Energy Limited. Prior to joining Newcrest, Greg was on the executive committee of and held senior executive roles in the Petroleum and Energy Division of BHP (including five years as chief financial officer) and was a director of investment banking at Merrill Lynch & Co and headed the Australia/Asia Pacific resources team.</p> <p>Greg was previously a non-executive Director of the World Gold Council, and a non-executive director of St Vincent's Institute of Medical Research.</p>
Mr Andrew Seaton Independent Non-Executive Director (BE (Chem) Hons; Grad Dip Bus Admin; GAICD)	<p>Mr Andrew Seaton was appointed as a Director on 1 December 2021. He is Chairman of the Remuneration Committee and a member of the Audit Committee.</p> <p>Andrew has over 30 years' business experience across a range of finance, engineering, project management, investment banking and senior executive roles. Andrew is currently the Managing Director and Chief Executive Officer of Australian Naval Infrastructure, and a Non-Executive Director of Strike Energy Ltd, Homestart Finance Ltd and Hydrocarbon Dynamics Ltd.</p> <p>Andrew was previously chief financial officer of Santos Limited, Australia's largest producer of domestic natural gas and a key supplier of LNG into Asia. During his time with Santos, the company expanded its LNG portfolio to include interests in Darwin LNG, PNG LNG and Gladstone LNG. Prior to this he worked in investment banking with Merrill Lynch in Melbourne and New York across a broad range of advisory, M&A, equity and debt capital markets transactions, and with NAB in corporate and institutional banking. His early career included process engineering and project management roles across upstream oil and gas and petrochemicals.</p>

COMPANY SECRETARY

Ms Kay Donehue

(GradDipACG, GIA(Cert), AGIA, ICSA, AAICD, Chartered Secretary)

Ms Donehue has over 25 years' experience in the mining and banking industries, and most recently has focused extensively on company secretarial and governance roles in the mining sector. Kay was previously company secretary of Indophil Resources NL which was delisted from the ASX in 2015 following completion of a Scheme of Arrangement with its major shareholder.

Kay is an Associate of the Governance Institute of Australia and holds a Graduate Diploma in Applied Corporate Governance.

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REX MINERALS LTD

DIRECTORS' REPORT (Continued) for the year ended 30 June 2023

DIRECTORS' MEETINGS

The numbers of meetings of the Company's Board of Directors and of each Board Committee held during the financial year and the numbers of meetings attended by each Director were:

Director	Board Meetings		Audit Committee Meetings		Remuneration Committee Meetings	
	A	B	A	B	A	B
Mr Ian Smith	6	6	3	3	2	2
Mr Richard Laufmann ¹	6	6	3	3	2	2
Ms Amber Rivamonte ¹	6	6	3	3	1	2
Mr Greg Robinson	6	6	3	3	2	2
Mr Andrew Seaton	5	6	3	3	2	2

A – Number of meetings attended.

B – Number of meetings held during the year whilst the Director held office.

¹ Director is not a member of the Committees but attends meetings as appropriate by invitation.

CORPORATE GOVERNANCE STATEMENT

Rex has adopted comprehensive systems of control and accountability as the basis for the administration and compliance of effective and practical corporate governance. These systems are reviewed regularly and revised if appropriate.

The Board is committed to administering the Company's policies and procedures with transparency and integrity, pursuing the genuine spirit of good corporate governance practice. To the extent they are applicable, Rex has adopted the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations, 4th Edition*. In addition, as the Company's activities transform in size, nature and scope, additional corporate governance structures will be considered by the Board and assessed as to their relevance.

In accordance with the ASX Principles and Recommendations and the ASX Listing Rules, the Corporate Governance Statement and a more detailed discussion of the Company's approach can be found on its website: www.rexminerals.com.au.

This Corporate Governance Statement is dated 30 June 2023 and was approved by the Board on 11 September 2023.

PRINCIPAL ACTIVITIES

The Company's vision is "to produce the minerals needed for the world we all envision" and our stated purpose to achieve this is "to explore and mine responsibly to benefit our stakeholders and contribute to a more sustainable world"

During the year, the principal activities of the Group consisted of exploration, evaluation and development. In pursuing these, we delivered on a range of key activities detailed below:

- At Hillside:
 - > Completed the Optimised Feasibility Study
 - > Progressed Operational Readiness plans
 - > Following completion of the 2022 3D seismic survey, two deep diamond drill holes were completed
 - > Appointed Macquarie Capital as Financial Adviser to assist in managing a structured partnering process
 - > Managed due diligence requests and group site visits
 - > Continued to build a key technical and financial team in South Australia.
- At Hog Ranch:
 - > Completed a suite of regional programs to enable the Company to better understand the greater potential of the broader Hog Ranch Property
 - > Commenced a Strategic Review of Rex's options to accelerate exploration, scale and value of the Property
 - > Appointed Treadstone to assist with the Strategic Review
 - > Hosted site visits and due diligence queries
- Continued to explore options for our highly prospective Iron Oxide Copper Gold (IOCG) tenements in South Australia.

OPERATING AND FINANCIAL REVIEW

The income statement shows a loss after tax of \$24.8 million (2022: \$12.8 million) for the year. The Group has no debt. As at 30 June 2023, the Group had a cash position of \$6.6 million (2022: \$44.1 million). Operating activities resulted in a net cash outflow for the year of \$25.4 million (2022: \$12.4 million). Further information on operating and financial performance is set out in the Operations Review.

REX MINERALS LTD

DIRECTORS' REPORT (Continued) for the year ended 30 June 2023

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Group during the financial year.

DIVIDENDS PAID OR RECOMMENDED

The Directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

EVENTS SINCE THE END OF THE FINANCIAL YEAR

On 3 August 2023, the Company announced that it had successfully raised \$8.0 million, via a placement to institutional, professional and sophisticated investors. As part of the placement, 20.0 million unquoted options were issued on completion of the placement on 10 August 2023.

On 1 September 2023, 3,866,666 shares were issued on the exercise of options to participants of the Option Incentive Plan (OIP).

On 1 September 2023, 3,750,000 options were issued as part of the OIP. Options expire on 2 August 2027.

Options are exercisable at a price of 22.0 cents each and options will vest in three equal tranches.

Other than mentioned above, no matters or circumstances have arisen since 30 June 2023 that have significantly affected the Group's operations, results or state of affairs.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The Group is working towards development of the Hillside Project and continued minerals exploration on the tenements and mining claims owned or controlled by the Group.

Other than that which is disclosed throughout the Annual Report, further information about likely developments in the operations of the Group and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable bias to the Group.

ENVIRONMENTAL REGULATION

The Group's operations are subject to environmental regulation in respect of mineral tenements and mining claims relating to exploration activities on those areas. No breaches of any environmental requirements were recorded during the financial year.

INDEMNIFICATION AND INSURANCE OF OFFICERS

The Company provides insurance to cover legal liability and expenses for the Directors and Executives of the Company. The Directors and Officers' Liability Insurance provides cover against all costs and expenses that may be incurred in defending civil or criminal proceedings that fall within the scope of the indemnity and that may be brought against the Officers in their capacity as Officers. Disclosure of the nature of the liability cover and the amount of the premium is subject to a confidentiality clause under the insurance policy.

The Company has entered into an agreement with Directors and Executives to indemnify these individuals against any claims and related expenses, which arise as a result of their work in their respective capacities.

The Company has not provided any insurance or indemnity for the auditor of the Company.

NON-AUDIT SERVICES

During the year, KPMG Australia (KPMG), the Group's auditor, did not perform any services other than the audit and review of the financial statements.

Details of amounts paid to the auditor of the Group, KPMG and its related practices for audit services during the year, are set out below.

	2023 \$	2022 \$
Audit and review of financial statements	58,600	51,000

LETTER FROM THE REMUNERATION COMMITTEE CHAIRMAN

For the year ended 30 June 2023

Dear Fellow Shareholder,

On behalf of the Board, I am pleased to present the Remuneration Report for FY23, which outlines the remuneration outcomes for the Non-Executive Directors and key Executives of the Company.

Financial Year 2023 in review

The past financial year has seen significant progress for Rex across many fronts. Against a backdrop of the challenging global financial and economic conditions, rising inflation, and volatility in commodity and capital markets, Rex released an Optimised Feasibility and Definition Phase Engineering Study in December 2022. This built in immediate and future expansion options that repositioned Hillside's project economics and outlook. Hillside remains one of the most significant undeveloped copper-gold projects in Australia.

With funding now the primary focus of the Company, in February 2023, we appointed Macquarie Capital to identify potential project partners for Hillside, and in parallel we are progressing a senior debt financing process, with strong interest from potential partners and major banks.

At the Hog Ranch Property in Nevada, we have continued to progress our understanding of the nature and extent of the mineralisation, increasing our confidence in the potential for Hog Ranch to become a significant gold operation. In May 2023, we appointed Treadstone to conduct a strategic review of the Hog Ranch Project, including funding alternatives and potential partnering opportunities.

Health, Safety and Environment (HSE) outcomes for FY23 were again excellent, with no lost time, medically treated nor significant injuries or incidents.

Our Approach to Remuneration

The Remuneration Committee's objective is to ensure that our remuneration framework delivers outcomes which have a clear link to Company and individual performance, enhance shareholder value, and support and are consistent with Rex's long-term strategy and values. To achieve this, Rex has sought to create a remuneration framework to:

- Attract and retain talented, highly capable personnel
- Ensure remuneration outcomes which encourage and reward high performance consistent with Rex's values and culture
- Align remuneration outcomes with shareholder value; and
- Remunerate fairly and reasonably relative to Rex's scale and stage of development.

FY23 Remuneration Framework Review

In FY23, the Remuneration Committee undertook a review of Rex's remuneration and incentives structures, policies and processes. The review was conducted to ensure that Rex's remuneration framework is "fit for purpose" to drive strong individual and corporate performance through our transition from the exploration to the development phase of the Hillside Project.

We engaged Mercer Consulting (Australia) Pty Ltd (Mercer) as the Company's independent remuneration adviser to provide a benchmarking survey for both executive and non-executive fixed and variable remuneration going forward.

A key outcome of the review has been the decision, consistent with market practice of the majority of ASX-listed companies, to introduce a cash and performance rights based Short Term Incentive Plan (STI) and a performance rights based Long Term Incentive Plan (LTI).

However, whilst the frameworks and policies underpinning these Plans have been developed, our intention is to implement the resulting changes once the Hillside Project has reached a Final Investment Decision and achieved financial close. This reflects the fundamental change underway within Rex as we transition from the exploration and planning stage to the development stage of Hillside. We therefore expect to provide further detail of the STI and LTI plans in the FY24 Remuneration Report.

LETTER FROM THE REMUNERATION COMMITTEE CHAIRMAN

(Continued) for the year ended 30 June 2023

Fixed Remuneration in FY23

Rex has reviewed and set fixed remuneration for Key Management Personnel (KMP) with reference to the Mercer benchmarking survey and other market relativities. Of note, the Remuneration Committee reviewed the base fixed remuneration of the CEO and the CFO, which had not been increased since 2015. In these two cases, the Committee determined that salary increases were warranted, as the fixed remuneration for these key executives had fallen well below that of their peer group. These adjustments are reflected in Remuneration expenses for Executive KMP table, within this report.

There were no other changes made to KMP fixed remuneration during FY23.

Short-Term and Long-Term Incentives in FY23

In FY23 there were no STI or LTI awards made to any KMP. As stated above, our intention is to introduce contemporary STI and LTI plans once the Hillside Project has reached a final investment decision and achieved financial close.

Issue of Options to Directors and Key Executives

The Company is very pleased to have established an experienced Board and Executive team with substantial relevant corporate and technical expertise and with a strong history of success in financing and developing mining operations.

As part of the remuneration review, Rex's Board resolved to grant Directors and Key Executives unquoted options which vest on the successful delivery of significant Hillside Project milestones. Subject to shareholder approval, a total of 30 million unquoted options are proposed to be issued with five million options each to the three Non-Executive Directors and three Key Executives (CEO, CFO and COO). The options will have a 4-year term and will only vest on the achievement of key Hillside Project milestones.

The proposed exercise price of \$0.40 represents a 70% premium to the 5-day VWAP at the grant date, ensuring that all shareholders will to see the benefit of a meaningful appreciation in the share price before the options are 'in the money'.

This proposed option grant aligns with the objective of creating long-term shareholder value by setting significant targets that will have a material, beneficial impact on the enterprise value of the Company. Rex's Directors and Key Executives have consistently shown their strong personal and financial commitment to the Company and this issue of options further ensures their alignment and retention through the development phase of the Hillside Project.

The Company will seek shareholder approval for the issue of all options at its Annual General Meeting to be held in November 2023. Full details of the terms will be provided in the Company's Notice of Meeting.

I trust that the above summary outlines our thinking and key decision drivers for FY23.



Mr Andrew Seaton

Chair of the Remuneration Committee

REX MINERALS LTD

DIRECTORS' REPORT (Continued) for the year ended 30 June 2023

REMUNERATION REPORT – AUDITED

The Directors present the Remuneration Report for the year ended 30 June 2023, outlining key aspects of the remuneration policy and framework, and the remuneration awarded during the year.

KEY MANAGEMENT PERSONNEL

Key Management Personnel (KMP) comprise the Directors of the Company and senior Executives for the Group. KMP have authority and responsibility for planning, directing and controlling the major activities of the Company and the Group.

The following persons currently act as Directors and other KMP of the Group. Except as noted, the named persons held their current positions during the year ended 30 June 2023 and up to the date of this report.

Non-Executive Directors

Mr Ian Smith	Chairman
Mr Greg Robinson	Director and Chair of the Audit & Risk Committee
Mr Andrew Seaton	Director and Chair of the Remuneration Committee

Executives

Mr Richard Laufmann	Chief Executive Officer & Managing Director
Ms Amber Rivamonte	Chief Financial Officer & Director of Finance
Mr Jason Schell	Chief Operating Officer
Mr Peter Bird	Executive General Manager Investor Relations & Business Development
Mr Peter Larsen	Executive General Manager Legal (appointed 16 November 2022)
Ms Cherie Leeden	Local Director – Hog Ranch

REMUNERATION POLICY

The Company's remuneration policy seeks to create a reward framework that drives individual and Company performance in line with the Company's long-term corporate strategy and short-term goals and targets, and delivers long-term shareholder value, through the following remuneration principles:

- Creating a strong link between performance and short and long-term reward
- Maintaining fair, consistent and equitable remuneration practices which align with the Company's values and vision
- Ensuring that Executive remuneration is linked to the creation of shareholder value
- Recognising the calibre and skills of Executives and ensuring that they are rewarded for superior performance; and
- Attracting and retaining talented Executives, noting both the cyclical and competitive nature of the market.

The Company will continue to seek guidance in the governance of its remuneration strategy from a variety of sources, to remain transparent and consistent with industry standards, whilst ensuring what we implement continues to be fit for purpose.

The Remuneration Committee and ultimately the Board are responsible for determining and reviewing remuneration arrangements for the Directors and other KMP.

ELEMENTS OF REMUNERATION

Fixed remuneration

Fixed remuneration consists of base salary (which is calculated on a total cost basis), as well as leave entitlements and employer contributions to superannuation funds.

Remuneration levels are reviewed annually through a process that considers individual, segment and overall performance of the Group. Market research provides analysis and guidance for remuneration.

Performance – linked remuneration

Performance linked remuneration may include both short-term and long-term incentives, and is designed to reward senior executives for meeting or exceeding their financial and personal objectives. The short-term incentive is an 'at risk' bonus provided in the form of cash, while the long-term incentive is provided as options over ordinary shares of the Company pursuant to the terms and conditions of the options.

REX MINERALS LTD

DIRECTORS' REPORT (Continued) for the year ended 30 June 2023

REMUNERATION REPORT – AUDITED (CONTINUED)

ELEMENTS OF REMUNERATION (CONTINUED)

Short-term incentive

The short-term incentive (STI) is a discretionary bonus provided in the form of cash or shares. At the end of the financial year, the Board assesses the performance of the Group and individuals. The Board determines and approves the cash incentive to be paid to individuals. There were no cash bonuses paid or payable during FY23.

Long-term incentive

The long-term incentive (LTI) is provided as options over ordinary shares of the Company and are issued at the discretion of the Board with conditions that the Board determines as appropriate at the time of issue. The Board believes the LTI is an important component of a comprehensive remuneration strategy. It aligns participants' interests with those of shareholders by linking their overall total rewards to the long-term success of the Company and helps retain cash funds within the Company.

The Board received shareholder approval for an Option Incentive Plan at the Annual General Meeting on 22 November 2021. The plan is administered by the Board which has the discretion to determine eligibility to participate in the plan.

Proposed changes to remuneration in FY24

As noted in the Remuneration Chairman's letter, Rex is proposing to introduce new Short-Term Incentive (STI) and Long-Term Incentive (LTI) plans for eligible employees in FY24 to further strengthen alignment between individual and corporate performance and shareholder value.

Proposed Short-Term Incentive

The proposed performance-based STI includes detailed corporate and individual performance measures, and initial invitations may be issued to eligible Rex employees in FY24. The STI will offer cash, performance rights, or a combination of these, at the Board's discretion, subject to satisfaction of corporate and individual performance measures.

The STI will measure participating employee annual performance against a balanced scorecard of weighted company and individual key performance indicators (KPI's), with reward outcomes based on achievement of threshold and stretch targets.

Proposed Long-Term Incentive

The proposed performance-based LTI, will measure corporate performance, and initial invitations to eligible Rex employees may be issued in FY24. The LTI will offer performance rights, at the Board's discretion, subject to satisfaction of corporate performance measures.

The LTI will measure compound annual share price performance over a three-year period with vesting based on the achievement of defined relative and absolute share price performance outcomes.

Consequences of performance on shareholder wealth

The variable components of the Group's Executives' remuneration (STI and LTI) seek to encourage alignment of management performance and shareholders' interests by linking remuneration to the performance of the Group. Whilst the Remuneration Committee takes into consideration the indices detailed below, the Board acknowledges that as an exploration and development company, the use of such indices does not fully reflect the Group's performance.

	2023 \$	2022 \$	2021 \$	2020 \$	2019 \$
Net loss attributable to equity holders of the parent (million)	24.8	12.8	8.8	5.2	5.1
Closing share price at financial year's end (\$)	0.230	0.135	0.350	0.070	0.053

REX MINERALS LTD

DIRECTORS' REPORT (Continued) for the year ended 30 June 2023

REMUNERATION REPORT – AUDITED (CONTINUED)

Contractual arrangements with Executive KMP's

In line with Group policy, the Group has entered into contracts with each of its Executives, details of which are outlined below:

Component	CEO description	Senior Executive description
Base Salary	\$500,000	Range between \$333,000 and \$450,000 FTE
STI	Provides for eligibility of an STI plan, at rules and rates to be finalised by the Board.	
LTI	At discretion of the Board, under terms and conditions of the Option Incentive Plan (OIP) (approved by Shareholders at the 2021 AGM).	
Contract duration	Ongoing contract	
Notice by individual/company	3 months	3 months
Termination of employment (without cause) or by the individual	Executives are entitled to receive their statutory entitlements of accrued annual and long service leave, together with any superannuation benefits. Entitlement to pro-rata STI for the year (under certain conditions). Under the OIP rules, unvested LTI will vest immediately if the individual is deemed a good leaver or will lapse if deemed a bad leaver.	
Termination of employment (with cause)	No additional entitlement on termination in the event of removal for misconduct or gross negligence. No eligibility for STI payments, unvested LTI will lapse.	

Different contractual terms apply to the following individuals:

Mr Schell's contract provides for a one-time completion bonus, on the achievement of certain milestones related to the Hillside Project and for the provision of a motor vehicle.

Ms Leeden is engaged via a part-time consulting arrangement and is paid a monthly retainer at 40% FTE paid in USD and presented in AUD in this report. Ms Leeden has been awarded an LTI under the Company's OIP and is not entitled to an STI or redundancy payment.

REX MINERALS LTD

DIRECTORS' REPORT (Continued) for the year ended 30 June 2023

REMUNERATION REPORT – AUDITED (CONTINUED)

Remuneration expenses for Executive KMP

The following table shows details of the remuneration expense recognised for the Group's Executive KMP for the current and previous financial year measured in accordance with the requirements of the accounting standards.

	Year	Fixed remuneration						Post employment		Long-term Long service leave ^(c) \$	Variable remuneration		Remuneration mix		Bonus proportion of remuneration performance related %
		Short-term			Other non-monetary ^(b) \$			Super-annuation \$	Share based payments		Fair value options ^(d) \$	Total \$	Fixed	Variable at risk LTI	
		Salary & fees ^(a) \$	Cash bonus \$	Other non- monetary ^(b) \$											
Non-Executive Directors															
Mr Richard Laufmann, CEO	2023	480,588	-	-	-	27,500	67,319	59,957	635,364	91%	9%	-			
	2022	412,392	125,000	-	-	27,499	23,104	138,143	726,138	81%	19%	17%			
Ms Amber Rivamonte, CFO	2023	388,359	-	-	-	27,500	12,664	2,713	431,236	99%	1%	-			
	2022	329,618	-	-	-	27,499	8,163	8,033	373,313	98%	2%	-			
Other KMP															
Mr Jason Schell, COO ¹	2023	472,381	-	13,237	-	27,500	10,996	228,111	752,225	70%	30%	-			
	2022	72,053	-	-	-	6,692	1,600	83,904	164,249	49%	51%	-			
Mr Peter Bird, EGM IR & BD ²	2023	410,898	-	-	-	27,500	9,497	228,111	676,006	66%	34%	-			
	2022	97,976	-	-	-	8,825	3,226	83,904	193,931	57%	43%	-			
Mr Peter Larsen, EGM Legal ³	2023	247,704	-	-	-	18,895	5,774	-	272,373	100%	-	-			
	2022	-	-	-	-	-	-	-	-	-	-	-			
Ms Cherie Leeden, Local Director – Hog Ranch ⁴	2023	139,218	-	-	-	-	-	5,426	144,644	96%	4%	-			
	2022	133,875	-	-	-	-	-	16,065	149,940	89%	11%	-			
Total executive directors and other KMP	2023	2,139,148	-	13,237	-	128,895	106,250	524,318	2,911,848	-	-	-			
	2022	1,045,914	125,000	-	-	70,515	36,093	330,049	1,607,571	-	-	-			

Notes in relation to the table of Executive KMP remuneration

- (a) Salary and fees include amounts received by KMP measured in accordance with Australian Accounting Standards. It includes cash salary and accrued annual leave entitlements (where applicable). Value attributed to the provision of a motor vehicle, including any Fringe Benefits tax applicable.
- (b) Represents the net accrual for long service leave which will only be paid in cash if the employee meets the required service conditions in accordance with state-based legislation.
- (c) The fair value of the options is calculated at the date of grant using the Black-Scholes option pricing model and allocated to each reporting period evenly over the period from grant to vesting date. The value disclosed is the portion of fair value of the options recognised as an expense in each reporting period.
- (d) 1. Mr Schell commenced 9 May 2022.
2. Mr Bird commenced 1 March 2022, initially on a part-time basis before making the move to full-time, effective 1 June 2022.
3. Mr Larsen commenced 16 November 2022.
4. Ms Leeden is engaged through a consultancy agreement and the above represents the retainer paid in USD to the KMP related company and presented in AUD in this report.

REX MINERALS LTD

DIRECTORS' REPORT (Continued) for the year ended 30 June 2023

REMUNERATION REPORT – AUDITED (CONTINUED)

Non-Executive Directors

Total remuneration for all Non-Executive Directors, as approved by shareholders at the Company's 2011 AGM, is not to exceed \$500,000 per annum and is set based on advice from external advisors with reference paid to other non-executive directors of comparable companies.

The Chairman and Non-Executive Directors do not receive performance related remuneration, but subject to shareholder approval may receive options as part of their remuneration. Directors' fees cover all main Board activities and membership of Board committees. Directors' base fee remuneration was reduced in January 2016 and has not been adjusted since, from time-to-time Rex has issued options rather than adjust the base fees.

Non-Executive Director remuneration

	Year	Base Fee \$	Super- annuation \$	Fair value options ^(a) \$	Total \$
Non-Executive Directors					
Mr Ian Smith ¹	2023	110,500	–	–	110,500
	2022	100,000	10,000	5,723	115,723
Mr Greg Robinson ²	2023	60,000	6,300	10,146	76,446
	2022	64,500	1,500	22,413	88,413
Mr Andrew Seaton ³	2023	60,000	6,300	13,480	79,780
	2022	35,000	3,500	11,781	50,281
Former					
Mr Ron Douglas ⁴	2023	–	–	–	–
	2022	48,462	4,846	5,723	59,031
Total Non-Executive Director Remuneration	2023	230,500	12,600	23,626	266,726
	2022	247,962	19,846	45,640	313,448

Notes in relation to the table of Non-Executive Directors' remuneration

(a) The fair value of the options is calculated at the date of grant using the Black-Scholes option pricing model and allocated to each reporting period evenly over the period from grant to vesting date. The value disclosed is the portion of fair value of the options recognised as an expense in each reporting period.

1. Mr Smith sought approval from the ATO for an SGC exemption and received additional fees in lieu of superannuation for the FY2023 year, his total base fees remained the same.
2. Mr Robinson sought approval from the ATO for an SGC exemption and received additional fees in lieu of superannuation for nine months of the FY2022, his total base fees remained the same.
3. Mr Seaton commenced 1 December 2021.
4. Mr Douglas retired effective 21 April 2022.

Shares under option

All options refer to unquoted options over ordinary shares of Rex Minerals Ltd, which are exercisable on a one-for-one basis under the terms and conditions of the OIP. The options do not entitle the holder to participate in any share issue of the Company. All options expire on the earlier of their expiry date or in the case of termination, as defined in the terms and conditions of the Plan.

During the year, the Company did not issue any options and issued 0.1 million ordinary shares as a result of the exercise of options (all to non-KMP participants of the OIP).

REX MINERALS LTD

DIRECTORS' REPORT (Continued) for the year ended 30 June 2023

REMUNERATION REPORT – AUDITED (CONTINUED)

Shares under option (continued)

Options over ordinary shares of the Company at 30 June 2023:

Date options granted	Expiry date	Fair value grant date (cents)	Issue price (cents)	Number of options
6 March 2020	29 February 2024	2.38	7.0	7,633,334
1 December 2020	30 November 2024	6.6	17.5	5,000,000
28 May 2021	28 May 2025	19.3	47.0	200,000
26 November 2021	24 November 2025	11.6	33.0	280,000
10 March 2022	2 March 2026	12.8	25.3	7,000,000
26 April 2022	17 April 2026	12.4	30.0	1,000,000
				21,113,334

Since 30 June 2023, 3,866,666 options at an issue price of 7.0 cents have been exercised by KMP and other participants of the OIP. 20,000,006 options were issued on 10 August 2023 at an issue price of 30.0 cents and 3,750,000 options were issued on 1 September 2023 at an issue price of 22.0 cents. The total options on issue at the date of this report are: 40,996,674.

Reconciliation of options, ordinary shares and consideration rights held by Key Management Personnel (KMP)

Options

The table below shows a reconciliation of unquoted options over ordinary shares in the Company held directly, indirectly or beneficially by each KMP including their related parties, during the financial year.

The fair value of the options is calculated at the date of grant, using the Black-Scholes option pricing model and allocated to each reporting period evenly over the period from grant to vesting date.

Name	Held at 30 June 2022	Number of options granted	Number of options vested and exercisable	% of options vested	Number of options exercised	Held at 30 June 2023 or date ceased being KMP
Mr Ian Smith	–	–	–	–	–	–
Mr Greg Robinson	200,000 ^C	–	133,333	66	–	200,000
Mr Andrew Seaton	280,000 ^D	–	93,333	33	–	280,000
Mr Richard Laufmann	5,000,000 ^B	–	3,333,333	66	–	5,000,000
Ms Amber Rivamonte	1,500,000 ^A	–	1,500,000	100	–	1,500,000
Mr Jason Schell	3,500,000 ^E	–	1,166,666	33	–	3,500,000
Mr Peter Bird	3,500,000 ^E	–	1,166,666	33	–	3,500,000
Mr Peter Larsen	–	–	–	–	–	–
Ms Cherie Leeden	2,000,000 ^A	–	2,000,000	100	–	2,000,000

Since 30 June 2023 and to the date of this report: Ms Rivamonte has exercised 1,500,000 options, at an exercise price of 7.0 cents bringing her total to zero; Ms Leeden has exercised 1,000,000 options, at an exercise price of 7.0 cents, bringing her total to 1,000,000; Mr Peter Larsen has received 2,000,000 options at an exercise price of 22.0 cents, bringing his total to 2,000,000.

The fair value of the unquoted options granted has been measured independently at the date of the grant based upon the Black-Scholes option pricing model. The inputs used in the measurement of the fair value at grant date are as follows:

	A	B	C	D	E
Grant date	6 Mar 2020	1 Dec 2020	28 May 2021	26 Nov 2021	10 Mar 2022
Fair value per option at grant date	2.38 cents	6.6 cents	19.3 cents	11.6 cents	12.8 cents
Exercise price per option	7.0 cents	17.5 cents	47.0 cents	33.0 cents	25.3 cents
Expiry date	29 Feb 2024	30 Nov 2024	28 May 2025	24 Nov 2025	2 Mar 2026

All options vest over three years in three equal tranches.

REX MINERALS LTD

DIRECTORS' REPORT (Continued) for the year ended 30 June 2023

REMUNERATION REPORT – AUDITED (CONTINUED)

Reconciliation of options, ordinary shares and consideration rights held by Key Management Personnel (KMP)(continued)

Options (continued)

All options expire on the earlier of their expiry date or in the case of termination, as defined in the OIP. On termination, in the event that a KMP is deemed to be a good leaver, then all unvested options will immediately vest. In the event that a KMP is deemed to be a bad leaver, the options (whether vested or unvested) expire shortly thereafter.

The value of options in the Company granted, expensed, yet to vest (affecting future remuneration) and exercised are detailed below:

Name	Value of options granted in year \$ ¹	Value of options expensed in year \$ ²	Value of options yet to be expensed \$ ³	Value of options exercised in year \$ ⁴
Mr Ian Smith	–	–	–	–
Mr Greg Robinson	–	10,146	3,909	–
Mr Andrew Seaton	–	13,480	7,320	–
Mr Richard Laufmann	–	59,957	15,557	–
Ms Amber Rivamonte	–	2,713	–	–
Mr Jason Schell	–	228,111	136,336	–
Mr Peter Bird	–	228,111	136,336	–
Mr Peter Larsen	–	–	–	–
Ms Cherie Leeden	–	5,426	–	–

1. The value of options granted in the year is the total fair value of the options calculated at grant date. This amount is allocated to remuneration over the vesting period.

2. The value of options expensed in the year is the portion of fair value of the options recognised as an expense in each reporting period as per the vesting conditions.

3. The fair value of options yet to be expensed is the value yet to be allocated to remuneration as per the vesting period.

4. The value of options exercised during the year is calculated as the market price of shares of the Company as at close of trading on the date the options were exercised after deducting the price paid to exercise the option.

Shareholdings

The table below shows a reconciliation of ordinary shares in the Company held directly, indirectly or beneficially by each KMP including their related parties, during the financial year.

Name	Held at 30 June 2022 or date became KMP	Received on exercise of option	Acquired or sold during the year	Held at 30 June 2023 or date ceased being KMP
Mr Ian Smith	1,700,000	–	–	1,700,000
Mr Greg Robinson	1,958,334	–	600,000	2,558,334
Mr Andrew Seaton	500,000	–	–	500,000
Mr Richard Laufmann	8,419,893	–	–	8,419,893
Ms Amber Rivamonte	6,326,909	–	–	6,326,909
Mr Jason Schell	542,034	–	–	542,034
Mr Peter Bird	–	–	–	–
Mr Peter Larsen	–	–	–	–
Ms Cherie Leeden	1,000,000	–	–	1,000,000

Since 30 June 2023 and to the date of this report: Ms Rivamonte has received 1,700,000 shares on the exercise of options, bringing her total shares to 8,026,909; Ms Leeden has received 1,000,000 shares on the exercise of options, bringing her total shares to 2,000,000.

REX MINERALS LTD

DIRECTORS' REPORT (Continued) for the year ended 30 June 2023

REMUNERATION REPORT – AUDITED (CONTINUED)

Reconciliation of options, ordinary shares and consideration rights held by Key Management Personnel (KMP)(continued)
Hog Ranch Consideration Rights (HRCR)

The table below shows a reconciliation of HRCR in the Company held directly, indirectly or beneficially by KMP including their related parties, during the financial year.

Name	Held at 30 June 2022	Acquired during the year	Converted during the year	Held at 30 June 2023
Mr Richard Laufmann	969,227	–	–	969,227
Ms Amber Rivamonte	3,876,907	–	–	3,876,907

The Company issued 20 million HRCR (including to related parties) as part consideration for the Hog Ranch acquisition in August 2019. The HRCR convert to Rex shares on the outcome of certain milestones. The following milestone remains outstanding:

- a. 15 million HRCR on announcement by Rex to the ASX by no later than 31 October 2024 of the Board approving a decision to mine the Hog Ranch Property.

Other transactions with Key Management Personnel (KMP)

KMP hold positions in other companies that result in them having control or significant influence over those companies. During the year, there were no transactions between KMP related companies and the Group.

Remuneration consultants

During the year, Mercer Consulting (Australia) Pty Ltd, as an independent Remuneration Adviser, provided benchmarking survey data, which was used in conjunction with other survey data available in the market to consider remuneration outcomes.

Voting of shareholders at last year's Annual General Meeting

Rex received more than 88% approval of its Remuneration Report for the 2022 financial year. Shareholders attending the Annual General Meeting were given an opportunity to ask questions, and did not provide any specific feedback on the Remuneration Report.

Rounding

The Group is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* dated 24 March 2016 and in accordance with that Financial Instrument, amounts in the consolidated financial statements and Directors' Report have been rounded off to the nearest thousand dollars, unless otherwise stated. All currencies are in Australian dollars unless stated otherwise.

Lead Auditor's Independence Declaration

The lead auditor's independence declaration is set out on page 51 and forms part of the Directors' Report for the year ended 30 June 2023.

Dated at Melbourne this 11th day of September 2023.

Signed in accordance with a resolution of the Directors:



Mr Richard Laufmann
Managing Director

REX MINERALS LTD

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June

	Note	2023 \$000	2022 \$000
Current assets			
Cash and cash equivalents	7	6,568	44,139
Trade and other receivables		2,630	411
Prepayments		830	1,019
Total current assets		10,028	45,569
Non-current assets			
Exploration and evaluation expenditure	9	3,243	3,243
Property, plant and equipment	10	26,342	14,263
Water infrastructure		4,076	4,076
Total non-current assets		33,661	21,582
Total assets		43,689	67,151
Current liabilities			
Trade and other payables	11	1,519	1,144
Employee benefits	12	1,169	793
Total current liabilities		2,688	1,937
Non-current liabilities			
Employee benefits	12	64	106
Total non-current liabilities		64	106
Total liabilities		2,752	2,043
Net assets		40,937	65,108
Equity			
Issued capital	13(a)	264,855	264,846
Reserves	13(d)	1,775	1,140
Accumulated losses		(225,693)	(200,878)
Total equity		40,937	65,108

The notes on pages 34 to 50 are an integral part of these financial statements.

REX MINERALS LTD

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June

	Note	2023 \$000	2022 \$000
Finance income		537	92
Government grants		–	92
Corporate and compliance expense		(2,143)	(1,318)
Depreciation expense	10	(105)	(41)
Employee benefits expense	14	(5,661)	(3,295)
Marketing expense		(310)	(220)
Exploration and evaluation expense		(17,054)	(8,344)
Foreign currency (loss)/gain		(82)	257
Loss before tax		(24,818)	(12,777)
Income tax benefit	15	–	–
Loss for the period after tax		(24,818)	(12,777)
Other comprehensive income		–	–
Total comprehensive loss attributable to members of Rex Minerals Ltd		(24,818)	(12,777)
Loss per share attributable to members of Rex Minerals Ltd			
Basic loss per share (cents)	16	(4.19)	(2.30)
Diluted loss per share (cents)	16	(4.19)	(2.30)

The notes on pages 34 to 50 are an integral part of these financial statements.

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REX MINERALS LTD

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June

	Note	Issued capital \$000	Share based payments reserve \$000	Accumulated losses \$000	Total equity \$000
Balance at 1 July 2022		264,846	1,140	(200,878)	65,108
Issue of ordinary shares	13(a)	9	–	–	9
Share based payments	13(d)	–	638	–	638
Transfer from share based payments reserve		–	(3)	3	–
Total comprehensive loss for the period		–	–	(24,818)	(24,818)
Balance at 30 June 2023		264,855	1,775	(225,693)	40,937
Balance at 1 July 2021		217,502	846	(188,202)	30,146
Issue of ordinary shares	13(a)	50,271	–	–	50,271
Cost of share issue		(2,927)	–	–	(2,927)
Share based payments	13(d)	–	395	–	395
Transfer from share based payments reserve		–	(101)	101	–
Total comprehensive loss for the period		–	–	(12,777)	(12,777)
Balance at 30 June 2022		264,846	1,140	(200,878)	65,108

The notes on pages 34 to 50 are an integral part of these financial statements.

REX MINERALS LTD**CONSOLIDATED STATEMENT OF CASH FLOWS**

For the year ended 30 June

	Note	2023 \$000	2022 \$000
Cash flows from operating activities			
Cash paid to suppliers and employees		(7,211)	(4,342)
Exploration and evaluation payments		(18,185)	(8,741)
Interest received		554	76
Government Grants		51	-
Rehabilitation Bond		(2,300)	-
Receipts from ATO (GST)		1,652	578
Net cash used in operating activities	17(a)	(25,439)	(12,429)
Cash flows from investing activities			
Acquisition of property, plant and equipment	10	(12,059)	(715)
Net cash used in investing activities		(12,059)	(715)
Cash flows from financing activities			
Proceeds from issue of ordinary shares	13	9	50,271
Payment of costs of share issue	13	-	(2,927)
Net cash from financing activities		9	47,344
Net decrease in cash and cash equivalents		(37,489)	34,200
Cash and cash equivalents at beginning of the period		44,139	9,682
Effect of change in exchange rates		(82)	257
Cash and cash equivalents at period end	7	6,568	44,139

The notes on pages 34 to 50 are an integral part of these financial statements.

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1. REPORTING ENTITY

Rex Minerals Ltd (Rex or the 'Company') is a company domiciled in Australia. The address of the Company's registered office is 68 St Vincent Highway, Pine Point South Australia 5571. These consolidated financial statements comprise the Company and its subsidiaries (together referred to as the 'Group'). The Group is a for profit entity primarily involved in minerals exploration and evaluation in Australia and USA.

2. BASIS OF PREPARATION

(a) Statement of compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The consolidated financial statements comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB).

These consolidated financial statements were approved by the Board of Directors on 11 September 2023.

(b) Basis of measurement

The Group financial statements have been prepared on the historical cost basis.

The Group financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activity and realisation of assets and the settlement of liabilities in the normal course of business.

At 30 June 2023, the Group holds cash of \$6.568 million and net current assets of \$7.340 million. In August 2023, the Group announced the successful completion of an \$8 million placement, that completed on 10 August 2023.

The Group's principal objective is to create value through the discovery and development of mineral resources and as such, it does not presently have a source of operating income, rather it is reliant on equity raisings or funds from other external sources to fund its activities.

The Directors have prepared a cash flow forecast for the twelve-month period from the date of signing this financial report, noting that the ability to meet minimum ongoing operating commitments and expenditure is contingent on either the Group securing the Hillside Project debt and equity financing process, or raising additional funds through the exercise of options, equity raisings or via other sources (including joint ventures or asset sales).

The Directors expect to be successful in future fundraising, and therefore the Directors are of the opinion that the Group is able to meet its obligations as they fall due for at least twelve months from the date of signing this financial report and that the going concern basis is appropriate in the circumstances. As the Group has not yet finalised the debt and equity financing process, these fundraising options remain uncertain at the date of this report. Should the Group not be successful in obtaining adequate funding from future fundraising, there is a material uncertainty as to the ability of the Group to continue as a going concern and to realise its assets and extinguish its liabilities in the ordinary course of business.

(c) Functional and presentation currency

These Group financial statements are presented in Australian dollars, which is the functional currency of all entities domiciled in Australia, while the entity domiciled in the USA uses US dollars.

The Company is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* and in accordance with that Rounding Instrument, all financial information is presented in Australian dollars and has been rounded to the nearest thousand, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of financial statements requires Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes and their related accounting policies:

- note 3(e) and 10 Recoverable value of non-current assets – assessment of impairment indicators, and
- note 3(f), 4 and 18 Share based payments – key assumptions used in the valuation model.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these Group financial statements, and have been applied consistently by Group entities. The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to the Group and effective for the current annual reporting period.

(a) Basis of consolidation**(i) Subsidiaries**

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, potential voting rights that currently are exercisable are taken into account. The financial statements of subsidiaries are included in the Group financial statements from the date that control commences until the date that control ceases.

(ii) Transactions eliminated on consolidation

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the Group financial statements.

(b) Financial instruments

All financial assets and liabilities are initially recognised at the fair value of consideration paid or received, net of transaction costs as appropriate, and subsequently carried at fair value or amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows, and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with an original maturity of three months or less.

(ii) Trade and other payables

Liabilities are recognised for amounts to be paid in the future for goods and services provided to the Group prior to the end of the reporting period and are stated at amortised cost. The amounts are unsecured and are usually paid within 30 days of recognition.

(iii) Borrowings

Borrowings are recognised for amounts to be paid in the future for funds advanced to the Group. Interest expense is recognised as it accrues in profit or loss, using the effective interest method.

(c) Property, plant and equipment**(i) Recognition and measurement**

Items of property, plant and equipment (PP&E) are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

(ii) Subsequent costs

The cost of replacing part of an item of PP&E is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of PP&E are recognised in profit or loss as incurred.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(c) Property, plant and equipment (Continued)****(iii) Depreciation**

Depreciation is recognised in the profit or loss for items of PP&E on a straight-line basis over the estimated useful lives of each part of an item of PP&E.

The estimated useful lives for the current and comparative periods are as follows:

- Plant and equipment 3 – 15 years.
- Buildings 10 – 20 years.

Land is not depreciated.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(d) Exploration and evaluation expenditure

Exploration and evaluation expenditure, excluding the costs of acquisition, is expensed within the profit and loss as incurred.

Costs incurred in acquiring rights, the entry premiums paid to gain access to areas of interest and amounts payable to third parties to acquire interests in existing projects are capitalised as incurred and assessed for impairment triggers annually.

The ultimate recoupment of costs capitalised for exploration and evaluation is dependent on successful development and commercial exploitation or sale of the respective area of interest.

(e) Impairment**(i) Financial assets**

The Group recognises loss allowances for expected credit loss (ECLs) on financial assets measured at amortised cost. Loss allowances for other receivables are always measured at an amount equal to lifetime ECLs.

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Employee benefits**(i) Wages, salaries and annual leave**

Liabilities for employee benefits for wages, salaries and annual leave that are expected to be settled within 12 months of the reporting date represent obligations resulting from employee services provided to the reporting date, and are calculated at undiscounted amounts based on remuneration, wage and salary rates that the Company expects to pay as at reporting date including related on-costs such as workers compensation insurance and payroll tax.

(ii) Long-term benefits

The Group's obligation in respect of long service leave is measured as the present value of the future benefit expected to be paid to employees that has been earned in return for their service in the current and prior periods. Consideration is given to the expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using Australian corporate bond rates.

(iii) Share based payments

Equity-based compensation is recognised as an expense in respect of the services received.

The fair value of options granted is recognised as an expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the participants become unconditionally entitled to the options.

The fair value at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the options, the vesting and performance criteria, the impact of dilution, the non-tradeable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

(g) Tax**(i) Income taxes**

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities, will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Research and development benefits are recognised in the year the benefit is received.

(ii) Tax consolidation

The Company and its wholly-owned Australian resident entities are part of a tax consolidated group. As a consequence, all members of the tax consolidated group are taxed as a single entity. The head entity within the tax consolidated group is Rex Minerals Ltd. The tax consolidated group has entered into tax funding and tax sharing agreements.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(g) Tax (Continued)****(iii) Goods and services tax**

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the Australian Taxation Office (ATO) is included as a current asset or liability in the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(h) Finance income

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

(i) Earnings/loss per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

(j) Segment reporting

The Group determines and presents operating segments based on the information that internally is provided to the CEO, who is the consolidated entity's chief operating decision-maker.

An operating segment is a component of the Group that engages in exploration activities which incurs expenses. An operating segment's expenditures are reviewed regularly by the CEO to make decisions about resources to be allocated to the segment and to assess its performance.

Segment expenditure that is reported to the CEO includes items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate and compliance expenditure.

Segment capital expenditure is the total cost incurred during the period to acquire PP&E.

(k) Restoration and rehabilitation provision

Obligations to restore and rehabilitate certain areas of property may arise from time to time as a result of the Group's activities. A provision for rehabilitation and restoration is recognised in respect of the estimated cost of rehabilitation, decommissioning and restoration of areas of disturbance existing at reporting date, but not yet rehabilitated. Rehabilitation activities include dismantling infrastructure, removal and treatment of waste material, and land rehabilitation, including recontouring, top-soiling and revegetation of the disturbed area. Provisions for the cost of the rehabilitation program are recognised at the time that environmental disturbance occurs (or is acquired).

A corresponding asset is recognised in PP&E or exploration and evaluation assets only to the extent that it is probable that future economic benefits associated with the rehabilitation, will flow to the entity. Determining the cost of rehabilitation and restoration of the area of disturbance requires the use of significant estimates and assumptions, including: the timing of the cash flows and expected life of the relevant area of interest, the application of relevant environmental legislation, and the future expected costs of rehabilitation, decommissioning and restoration. Changes in the estimates and assumptions used to determine the cost of rehabilitation, decommissioning and restoration could have a material impact on the carrying value of the site restoration provision and related asset. The provision is updated based on the facts and circumstances at the reporting date.

(l) Government grants

The Company recognises unconditional government grants in profit or loss when the grants become receivable.

Grants that compensate the Company for expenses incurred are recognised in the profit or loss in the periods in which the expenses are recognised.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Prepayments

The Company may make payments in advance to secure goods and/or services. These are recorded as prepayments in the balance sheet.

Water Infrastructure represents a prepayment to SA Water for infrastructure upgrades which will be amortised to the profit and loss over the life of future water contracts and recognised as water expense.

(n) New standards and interpretations not yet adopted

A number of new standards are effective for annual periods beginning after 1 July 2023 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these consolidated financial statements and they are not expected to have a material effect on the Group's financial statements.

4. DETERMINATION OF FAIR VALUES

A number of the Group's accounting policies and disclosures require the determination of fair values for financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(a) Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

(b) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

(c) Share based payments

The fair value of options granted to participants as compensation is independently measured using a Black-Scholes option pricing model. Measurement inputs include the exercise price of the options, the term of the options, the vesting and performance criteria, the non-tradeable nature of the option, the share price at grant date and expected price volatility of the underlying share (based on an evaluation of the Company's historical volatility), expected term of the instruments (based on historical experience and general option holder behaviour), the expected dividend yield and the risk-free interest rate (based on government bonds) for the term of the option.

5. FINANCIAL RISK MANAGEMENT

(a) Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so as to maintain an adequate capital base sufficient to maintain future exploration and progress of its projects. In order to maintain or adjust the capital structure, the Group may return capital to shareholders or issue new shares. The Group's focus has been to raise sufficient funds through equity to fund exploration and evaluation activities and repayment of borrowings when they fall due.

The Group encourages employees and contractors to be shareholders through the Option Incentive Plan.

There were no changes in the Group's approach to capital management during the year. Risk management policies and procedures are established with regular monitoring and reporting.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

(b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counter-party to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables and cash balances.

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. To this end, actual cash flows and forecast future cash flows are reported to and monitored by the Board on a periodic basis.

REX MINERALS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Market risk

Market risk is the risk that changes in market prices (such as foreign exchange rates), interest rates and equity prices that will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

6. SEGMENT REPORTING

The Group has two reportable segments for the year ended 30 June 2023, which are the Group's areas of focus. The areas offer different exploration potential and are managed separately due to their physical locations. In South Australia, the Group has the Hillside Copper-Gold Project and also its highly prospective exploration portfolio; whilst in Nevada, USA the Group has the Hog Ranch Gold Property, where the focus is on gold exploration in key project areas. For each reportable segment, the CEO reviews internal management reports on at least a quarterly basis, segment assets and liabilities are not reported to the CEO.

	South Australia \$000	Nevada, USA \$000	Unallocated \$000	Total \$000
2023				
Finance income	–	–	537	537
Government grants	–	–	–	–
Losses before tax (including depreciation and interest expense)	16,646	2,829	5,343	24,818
Depreciation	91	–	14	105

	South Australia \$000	Nevada, USA \$000	Unallocated \$000	Total \$000
2022				
Finance income	–	–	92	92
Government grants	–	–	92	92
Losses before tax (including depreciation and interest expense)	6,655	2,781	3,341	12,777
Depreciation	35	–	6	41

7. CASH AND CASH EQUIVALENTS

	2023 \$000	2022 \$000
Bank balances and short-term deposits	6,568	44,139
Cash and cash equivalents	6,568	44,139

The Group's total cash and funds on deposit of \$6.568 million (2022: \$44.139 million) is exposed to interest rate risk and a sensitivity analysis for financial assets and liabilities is disclosed in note 19.

REX MINERALS LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****8. DEFERRED TAX ASSETS (DTA) AND DEFERRED TAX LIABILITIES (DTL)**

	2023	2022
	\$000	\$000
Exploration and evaluation assets	(494)	(494)
Other assets	1,311	—
Property, plant and equipment	(30)	(45)
Provisions	402	191
Equity costs	668	926
Net DTA/(DTL)	1,857	578
Tax losses recognised to the extent of the DTL	—	—
Derecognition of DTA as not sufficiently certain	(1,857)	(578)
Total DTA/(DTL) recognised	—	—

Tax losses do not expire under current tax legislation. A DTA has not been recognised in respect of these items because it is not probable within the immediate future, that taxable profits will be available, against which the Company can utilise the benefits. The DTA not recognised is \$65.638 million (2022: \$60.392 million).

9. EXPLORATION

	2023	2022
	\$000	\$000
Balance at 1 July	3,243	3,243
Balance at 30 June	3,243	3,243

10. PROPERTY, PLANT AND EQUIPMENT

2023	Land and buildings \$000	Plant and equipment \$000	Total \$000
Cost			
Balance at 1 July 2022	14,309	1,894	16,203
Additions	11,327	857	12,184
Disposals	—	(47)	(47)
Balance at 30 June 2023	25,636	2,704	28,340
Depreciation			
Balance at 1 July 2022	100	1,840	1,940
Depreciation	10	95	105
Disposals	—	(47)	(47)
Balance at 30 June 2023	110	1,888	1,998
Carrying amounts			
At 1 July 2022	14,209	54	14,263
At 30 June 2023	25,526	816	26,342

Prepayments at 30 June 2023 includes \$0.566 million which represents payments made to secure fixed assets which are expected to be completed before 30 June 2024 (2022: \$0.690 million).

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REX MINERALS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

2022	Land and buildings \$000	Plant and equipment \$000	Total \$000
Cost			
Balance at 1 July 2021	14,309	1,872	16,181
Additions	–	25	25
Disposals	–	(3)	(3)
Balance at 30 June 2022	14,309	1,894	16,203
Depreciation			
Balance at 1 July 2021	90	1,812	1,902
Depreciation	10	31	41
Disposals	–	(3)	(3)
Balance at 30 June 2022	100	1,840	1,940
Carrying amounts			
At 1 July 2021	14,219	60	14,279
At 30 June 2022	14,209	54	14,263

11. TRADE AND OTHER PAYABLES

	2023 \$000	2022 \$000
Current		
Trade payables	94	14
Accrued expenses	1,425	1,130
Total current trade and other payables	1,519	1,144
Total trade and other payables	1,519	1,144

12. EMPLOYEE BENEFITS PROVISIONS

	2023 \$000	2022 \$000
Current		
Annual leave	752	553
Long service leave	417	240
Total current employee benefits provisions	1,169	793
Non-current		
Long service leave	64	106
Total non-current employee benefits provisions	64	106
Total employee benefits provisions	1,233	899

REX MINERALS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13. EQUITY

(a) Movements in shares on issue:

	Date of issue	Number of shares	Issue price \$	\$000
Opening balance at 1 July 2022		592,654,254		264,846
Exercise of options	09/11/2022	133,333	0.070	9
Closing balance at 30 June 2023		592,787,587		264,855

	Date of issue	Number of shares	Issue price \$	\$000
Opening balance at 1 July 2021		422,320,920		217,502
Issue of shares	11/08/2021	17,827,303	0.300	5,348
Cost of share issue	11/08/2021			(346)
Issue of shares	17/09/2021	148,839,364	0.300	44,652
Cost of share issue	17/09/2021			(2,581)
Exercise of options	28/09/2021	333,333	0.084	28
Exercise of options	15/03/2022	666,668	0.084	56
Exercise of options	18/03/2022	2,000,000	0.070	140
Exercise of options	28/03/2022	666,666	0.070	47
Closing balance at 30 June 2022		592,654,254		264,846

(b) Movements in HRCR:

The Company has on issue 15 million Hog Ranch Consideration Rights (HRCR) which convert to Rex shares on the outcome of the following remaining milestone:

- (a) 15 million HRCR on announcement by Rex to the ASX by no later than 31 October 2024 of the Board approving a decision to mine the Hog Ranch Property.

During the year ended 30 June 2023, no HRCR were converted or cancelled.

(c) Movements in options on issue:

	Date of issue	Number of options	Exercise price \$	Expiry date
Opening balance as at 1 July 2022		21,246,667		
Exercise of options	06/03/2020	(133,333)	0.070	29/02/2024
Closing balance as at 30 June 2023		21,113,334		

	Date of issue	Number of options	Exercise price \$	Expiry date
Opening balance as at 1 July 2021		17,133,334		
Exercise of options	14/02/2019	(333,333)	0.084	31/01/2023
Lapse of options	06/03/2020	(500,000)	0.070	29/02/2024
Issue of options	26/11/2021	280,000	0.330	24/11/2025
Issue of options	10/03/2022	7,000,000	0.253	02/03/2026
Exercise of options	14/02/2019	(666,668)	0.084	31/01/2023
Exercise of options	06/03/2020	(2,000,000)	0.070	29/02/2024
Exercise of options	06/03/2020	(666,666)	0.070	29/02/2024
Issue of options	26/04/2022	1,000,000	0.300	17/04/2026
Closing balance as at 30 June 2022		21,246,667		

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REX MINERALS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13. EQUITY (CONTINUED)

(d) Movements in share based payment reserve:

	\$000
Opening balance at 1 July 2022	1,140
Share based payments – options	638
Transfer from share based payments	(3)
Closing balance at 30 June 2023	1,775
Opening balance at 1 July 2021	846
Share based payments – options	395
Transfer from share based payments	(101)
Closing balance at 30 June 2022	1,140

This share based payment reserve is used to recognise both the fair value of options issued to participants for options granted which have not been exercised and the fair value of the HRCR.

14. EMPLOYEE BENEFITS EXPENSE

	2023 \$000	2022 \$000
Wages and salaries	4,699	2,760
Share based payments	628	352
Increase/(decrease) in liability for annual leave	199	111
Increase/(decrease) in liability for long service leave	135	72
Total employee benefits expense	5,661	3,295

15. INCOME TAX BENEFIT

NUMERICAL RECONCILIATION BETWEEN TAX BENEFIT AND PRE-TAX ACCOUNTING LOSS

	2023 \$000	2022 \$000
Loss before tax for the period	(24,818)	(12,777)
Income tax benefit using the corporation tax rate of 30% (2022: 30%)	(7,445)	(3,833)
Non-deductible expenses	192	159
Effect of jurisdictional tax variances	255	250
DTA not recognised – other jurisdiction	595	583
Net effect of tax losses not recognised	6,403	2,841
Total income tax expense/(benefit) on pre-tax net loss	–	–

REX MINERALS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16. LOSS PER SHARE

	2023 cents	2022 cents
Loss per share		
Basic loss per share	(4.19)	(2.30)
Diluted loss per share	(4.19)	(2.30)

(a) Basic loss per share

The calculation of basic loss per share at 30 June 2023 was based on the loss attributable to ordinary equity holders of \$24.818 million (2022: \$12.777 million) and a weighted average number of ordinary shares outstanding during the financial year ended 30 June 2023 of 592,739,968 (2022: 556,276,809).

(b) Diluted loss per share

The calculation of diluted loss per share at 30 June 2023 is the same as basic loss per share. In accordance with AASB 133 *Earnings per share*, as potential ordinary shares may result in a situation where their conversion results in a decrease in the loss per share, no dilutive effect has been taken into account. Potential ordinary shares relating to the Option Incentive Plan totalled 21,113,334 at 30 June 2023.

17. RECONCILIATION OF CASH FLOWS

(a) Reconciliation of net loss to cash used in operating activities

	Note	2023 \$000	2022 \$000
Loss before tax for the period		(24,818)	(12,777)
Adjustments for non-cash items:			
Depreciation	10	105	41
Share based payments	13(d)	638	395
Adjustments for other items:			
Foreign currency revaluation		82	(257)
Operating loss before changes in working capital and provisions		(23,993)	(12,598)
(Increase)/decrease in receivables and prepayments		(2,155)	(541)
(Decrease)/increase in trade and other payables		375	527
(Decrease)/increase in employee benefits		334	183
Net cash used in operating activities		(25,439)	(12,429)

18. SHARE BASED PAYMENTS

(a) Description of share based payment arrangements

No options were issued during the financial year ending 30 June 2023.

During the financial year ending 30 June 2022, the following options were issued:

- 0.28 million options were granted on 26 November 2021, expiring 24 November 2025. Options are exercisable at a price of 33.0 cents each and options will vest in three equal tranches as follows: one third on 1 December 2022; one third on 1 December 2023 and one third on 1 December 2024.
- 7 million were granted on 10 March 2022, expiring 2 March 2026. Options are exercisable at a price of 25.3 cents each and options will vest in three equal tranches as follows: one third on 10 March 2023; one third on 10 March 2024 and one third on 10 March 2025.
- 1 million were granted on 26 April 2022, expiring 17 April 2026. Options are exercisable at a price of 30.0 cents each and options will vest in three equal tranches as follows: one third on 17 April 2023; one third on 17 April 2024 and one third on 17 April 2025.

All options refer to unquoted options over ordinary shares of Rex Minerals Ltd, which are exercisable on a one-for-one basis under the terms and conditions of the Option Incentive Plan. The options do not entitle the holder to participate in any share issue of the Company. All options expire on the earlier of their expiry date or in the case of termination, as defined in the Option Incentive Plan.

(b) Measurement of fair values

There were no options issued to be valued and no changes in the fair value of all outstanding unquoted options during the financial year ending 30 June 2023.

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REX MINERALS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

18. SHARE BASED PAYMENTS (CONTINUED)

(c) Option expense

	2023 \$000	2022 \$000
Option expense	638	395
Total recognised as share based payments	638	395

(d) Outstanding options at 30 June 2023

Date options granted	Expiry date	Issue price (cents)	Number of options
6 March 2020	29 February 2024	7.0	7,633,334
1 December 2020	30 November 2024	17.5	5,000,000
28 May 2021	28 May 2025	47.0	200,000
26 November 2021	24 November 2025	33.0	280,000
10 March 2022	2 March 2026	25.3	7,000,000
26 April 2022	17 April 2026	30.0	1,000,000
			21,113,334

Since 30 June 2023, 3,866,666 options at an issue price of 7.0 cents have been exercised. 20,000,006 options were issued on 10 August 2023 at an issue price of 30.0 cents and 3,750,000 options were issued on 1 September 2023 at an issue price of 22.0 cents. The total options on issue at the date of this report are: 40,996,674.

19. FINANCIAL INSTRUMENTS

Exposure to credit risk and interest rate risks arise in the normal course of the Group's business.

(a) Credit risk

Management monitors the exposure to credit risk on an ongoing basis through monitoring the Group's counterparties. The Group does not require collateral in respect of financial assets.

At reporting date, cash is held with a number of reputable financial institutions. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

(b) Fair value

The financial assets and financial liabilities included in assets and liabilities approximate their net fair values.

(c) Liquidity risk

The following are the contractual maturities of financial liabilities.

Financial liabilities Group	Carrying amount \$000	Contractual cash flows \$000	1 year or less \$000	1-2 years \$000
2023				
Trade and other payables	1,519	(1,519)	(1,519)	-
	1,519	(1,519)	(1,519)	-
2022				
Trade and other payables	1,144	(1,144)	(1,144)	-
	1,144	(1,144)	(1,144)	-

REX MINERALS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19. FINANCIAL INSTRUMENTS (CONTINUED)

(d) Interest rate risk

The Group's exposure to market interest rates relates primarily to the Group's short-term deposits.

At balance date, the Group had the following financial assets exposed to interest rate risk:

	2023 \$000	2022 \$000
Cash and cash equivalents	6,568	44,139
Total cash and cash equivalents	6,568	44,139

At balance date, the Group has no financial liabilities exposed to variable interest rate risks. The following sensitivity analysis is based on the interest rate risk exposure in existence at the balance sheet date.

At 30 June 2023, if interest rates had moved, as illustrated in the table below, with all other variables constant, profit or loss and equity would have been affected as follows:

	Profit or loss higher/(lower)		Equity higher/(lower)	
	2023 \$000	2022 \$000	2023 \$000	2022 \$000
Group				
+1% (100 basis points)	66	441	–	–
–1% (100 basis points)	(66)	(441)	–	–

The movements in profit or loss are due to higher/lower interest earnings on cash balances. The movements in equity are directly linked to movements in the Consolidated statement of profit or loss and other comprehensive income.

(e) Impairment losses

None of the Group's receivables are past due (2022: nil).

20. COMMITMENTS

(a) Exploration expenditure commitments

In order to maintain current rights of tenure to exploration tenements, the Group is required to perform minimum exploration work to meet the minimum expenditure requirements under the various exploration licences which are held. These obligations are expected to be fulfilled in the normal course of operations. Mining interests may be relinquished or joint ventured to reduce this amount. The South Australian Government has the authority to defer, waive or amend its minimum expenditure requirements.

South Australia	2023 \$000	2022 \$000
Not later than one year	662	782
Later than one year but not later than five years	662	–
Nevada, USA	2023 \$000	2022 \$000
Not later than one year	75	73
Later than one year but not later than five years	75	73
Later than five years	5,231	8,145

(b) Capital commitments

During the year ended 30 June 2023, the Group has not entered into any capital expenditure arrangements which have outstanding commitments.

	2023 \$000	2022 \$000
Not later than one year	–	1,118
Later than one year but not later than five years	–	–

REX MINERALS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

21. CONTINGENCIES

The Directors are of the opinion that there are no matters for which provision is required in relation to any contingencies, as it is not probable that a future sacrifice of economic benefit will be required, or the amount is not capable of reliable measurement.

The Group's bankers have provided guarantees amounting to \$0.020 million to certain government bodies as security over the Group's performance of rehabilitation obligations on certain tenements. Under the agreement, the Group has indemnified the bank in relation to these guarantees. The guarantees are backed by deposits amounting to \$0.020 million as at 30 June 2023 (2022: \$0.020 million).

The Group has future obligations to restore land disturbed under the Mineral Lease. The maximum obligation to the South Australian Government in respect of the Hillside Project has been assessed at a value of \$34.200 million. This has been secured by a \$2.300 million cash deposit and there will be a first ranking charge over the Group's freehold land holdings.

22. RELATED PARTIES

(a) Parent and ultimate controlling party

	Country of Incorporation	Ownership Interest	
		2023	2022
Parent entity			
Rex Minerals Ltd	Australia		
Subsidiaries			
Rex Minerals (SA) Pty Ltd	Australia	100%	100%
Rex Minerals (Iron Ore) Pty Ltd	Australia	100%	100%
Rex Hillside (Property) Pty Ltd	Australia	100%	100%
Hog Ranch Group Pty Ltd	Australia	100%	100%
Hog Ranch USA Pty Ltd	Australia	100%	100%
Hog Ranch Minerals Incorporated	USA	100%	100%

(b) Transactions with Key Management Personnel (KMP)

(i) Loans to Directors

There were no loans advanced to Directors for the year ending 30 June 2023 (2022: nil).

(ii) Loans from Directors

There were no loans from Directors for the year ending 30 June 2023.

(iii) KMP compensation

KMP compensation comprised the following:

	2023 \$	2022 \$
Short-term benefits	2,382,855	1,418,876
Post-employment benefits	141,495	90,361
Share based payments	547,944	375,689
Other long-term benefits	106,250	36,093
	3,178,574	1,921,019

REX MINERALS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

22. RELATED PARTIES (CONTINUED)

(iii) KMP compensation (Continued)

Information regarding individual Directors' and Executive Officers' compensation and some equity instrument disclosures as permitted by Corporations Regulations 2M.3.03 are provided in the Remuneration Report section of the Directors' Report on pages 20 to 29.

There have been no changes to KMP between 1 July 2023 and the date of this report.

(iv) Other KMP transactions

A number of KMP hold positions in other companies that result in them having control or significant influence over those companies.

During the year ended 30 June 2023, no KMP related companies transacted with the Group.

Information regarding individual Directors' and Executive Officers' compensation are provided in the Remuneration Report section of the Directors' Report on pages 20 to 29.

23. PARENT ENTITY DISCLOSURES

As at, and throughout, the period ending 30 June 2023, the parent company of the Group was Rex Minerals Ltd.

	2023 \$000	2022 \$000
Result of the parent entity		
Loss for the period	(24,480)	(10,501)
Other comprehensive income	–	–
Total comprehensive loss for the period	(24,480)	(10,501)
Financial position of the parent entity at year end		
Current assets	6,828	44,473
Total assets	45,728	69,166
Current liabilities	1,758	1,322
Total liabilities	1,822	1,427
Total equity of the parent entity comprising of		
Share capital	264,855	264,846
Share based payments reserve	1,775	1,140
Accumulated losses	(222,724)	(198,247)
Total equity	43,906	67,739

Parent entity contingencies

The Parent entity's contingencies are the same as the Group's contingencies as detailed in Note 21.

REX MINERALS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

24. SUBSEQUENT EVENTS

On 3 August 2023, the Company announced that it had successfully raised \$8.000 million via a placement to institutional, professional and sophisticated investors. As part of the placement, 20 million unquoted options were issued on completion of the placement on 10 August 2023.

On 1 September 2023, 3,866,666 shares were issued on the exercise of options to participants of the Option Incentive Plan (OIP).

On 1 September 2023, 3,750,000 options were issued as part of the OIP. Options expire on 2 August 2027. Options are exercisable at a price of 22.0 cents each and options will vest in three equal tranches.

Other than mentioned above, no item, transaction or event of a material nature or circumstances has arisen in the interval between the end of the financial year and the date of this report, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

25. AUDITOR'S REMUNERATION

	2023	2022
KPMG Australia	\$	\$
Audit services	58,600	51,000

No non-audit services were provided in the current year.

REX MINERALS LTD

DIRECTORS' DECLARATION

- In the opinion of the Directors of Rex Minerals Ltd (the Company):
 - the consolidated financial statements and notes and the Remuneration Report in the Directors' Report, set out on pages 20 to 29, are in accordance with the *Corporations Act 2001*, including:
 - giving a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
 - complying with Australian Accounting Standards and the *Corporations Regulations 2001*.
 - there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- The Directors have been given the declarations required by section 295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2023.
- The Directors draw attention to Note 2 to the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors:



Mr Richard Laufmann
Managing Director

Dated this 11th day of September 2023.



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Rex Minerals Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Rex Minerals Limited for the financial year ended 30 June 2023 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Adrian Nathanielsz

Partner

Melbourne

11 September 2023

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Independent Auditor's Report

To the shareholders of Rex Minerals Limited

Report on the audit of the Financial Report

Opinion

We have audited the **Financial Report** of Rex Minerals Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Group's** financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- Consolidated statement of financial position as at 30 June 2023;
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity and Consolidated statement of cash flows for the year then ended and Notes including a summary of significant accounting policies
- Directors' Declaration.

The **Group** consists of the Company and the entities it controlled at the year-end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Material uncertainty related to going concern

We draw attention to Note 2 (b) "Basis of measurement" in the financial report. The conditions disclosed in Note 2 (b) indicate a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, whether it will realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report. Our opinion is not modified in respect of this matter.

In concluding there is a material uncertainty related to going concern we evaluated the extent of uncertainty regarding events or conditions casting significant doubt in the Group's assessment of going concern. This included:

- Analysing the cash flow projections by:
 - Evaluating the underlying data used to generate the projections for consistency with other information tested by us, our understanding of the Group's intentions, and past results and practices;

- Assessing the planned levels of operating cash inflows and outflows, including capital expenditures, for feasibility, timing, consistency of relationships and trends to the Group's historical results, results since year end, and our understanding of the business, industry and economic conditions of the Group;
- Assessing significant non-routine forecast cash inflows and outflows for feasibility, quantum and timing. We used our knowledge of the client, its industry and current status of those initiatives to assess the level of associated uncertainty.
- Reading correspondence with potential financiers to understand the financing options available to the Group and assess the level of associated uncertainty.
- Evaluating the Group's going concern disclosures in the financial report by comparing them to our understanding of the matter, the events or conditions incorporated into the cash flow projection assessment, the Group's plans to address those events or conditions, and accounting standard requirements. We specifically focused on the principle matters giving rise to the material uncertainty.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matter described below to be the Key Audit Matter.

Assessment of impairment indicators for the Hillside Copper-Gold land and buildings

Land and buildings \$25.526m – Note 10

The key audit matter	How the matter was addressed in our audit
<p>The assessment of whether impairment indicators exist over the carrying value of the Hillside Copper-Gold Project land and buildings is a key audit matter due to:</p> <ul style="list-style-type: none"> • The significance of the balances to the financial statements, being 58% of total assets; and • The significance of this determination and its effect on the scope and depth of our work. The presence of impairment indicators would necessitate a detailed analysis by the Group of the recoverable value of the Hillside Copper-Gold Project land and buildings. <p>In assessing the presence of impairment indicators, we focused on the valuation of land and buildings obtained from the management's expert and the existence of any indicators of impairment since that date.</p> <p>Together with our valuation specialist we involved senior audit team members in assessing this key audit matter.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> • Considering the appropriateness of the Group's assessment of impairment indicators against the requirements of the accounting standards. • Evaluating the Group's assessment of indicators of asset impairment at 30 June 2023 with reference to our knowledge of the Group, our industry experience and current market conditions. • Comparing the carrying value of land and buildings to the management's expert fair value estimate. • Assessing the scope, competence and objectivity of the management's expert engaged to value the land and buildings. • Involving a valuation specialist in assessing the methodology used in the valuation of land and buildings by the management's expert and checking the data used to recent sale transactions of comparable land and observable trends.

Other Information

Other Information is financial and non-financial information in Rex Minerals Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf This description forms part of our Auditor's Report.



Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Rex Minerals Ltd for the year ended 30 June 2023, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages 22 to 29 of the Directors' report for the year ended 30 June 2023.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

Adrian Nathanielsz

Partner

Melbourne

11 September 2023

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REX MINERALS LTD

ADDITIONAL SHAREHOLDER INFORMATION

Additional information required by the Australian Stock Exchange (ASX) Listing Rules and not shown elsewhere in this report is set out below and the information was applicable as at 31 July 2023.

DISTRIBUTION OF ORDINARY SHARES

The number of shareholders, by size of holding:

Range	Total Holders	Units	% of Issued Capital
1 – 1,000	596	218,590	0.04
1,001 – 5,000	1,809	5,491,720	0.93
5,001 – 10,000	1,063	8,454,880	1.43
10,001 – 100,000	2,509	91,602,723	15.45
100,001 – 999,999,999	692	487,019,674	82.15
Total	6,669	592,787,587	100.00

The number of shareholders holding less than a marketable parcel:

929

TWENTY LARGEST SHAREHOLDERS

The names of the twenty largest shareholdings of quoted ordinary shares are:

Name	Number of Shares Held	% of Issued Capital
1. JP Morgan Nominees Australia Pty Limited	49,010,768	8.27
2. HSBC Custody Nominees (Australia) Limited	29,983,989	5.06
3. Citicorp Nominees Pty Limited	20,593,019	3.47
4. BNP Paribas Nominees Pty Ltd (IB AU Noms Retail client DRP)	9,763,366	1.65
5. Mr Jun Yao	8,795,778	1.48
6. Dr Steven G Rodwell	7,509,241	1.27
7. Mr Simon (Sui Hee) Lee	7,300,000	1.23
8. S & S Olsen Pty Ltd	6,628,909	1.12
9. United Overseas Service Management Ltd	5,863,852	0.99
10. UBS Nominees Pty Ltd	5,784,273	0.98
11. Panjeta Family Group Pty Ltd (Panjeta Family Group A/C)	5,600,000	0.94
12. Stone Poneys Nominees Pty Ltd (Chapman Super Fund A/C)	5,553,218	0.94
13. Silver Rayne Pty Ltd	5,376,909	0.91
14. Keta Investments Pty Ltd	5,287,497	0.89
15. National Nominees Limited	5,000,001	0.84
16. Laufmann Longterm Investments Pty Ltd (Laufmann Super Fund A/C)	4,919,893	0.83
17. Curious Commodities Pty Ltd (Curious Commodities Trad A/C)	4,500,000	0.76
18. Piama Pty Ltd (Fena Superannuation Plan A/C)	4,000,000	0.67
19. Mrs Vickie Jane Jones	3,926,594	0.66
20. Mrs Natalie Laufmann	3,500,000	0.59
Total	198,897,307	33.55

SUBSTANTIAL SHAREHOLDERS

There is currently one substantial shareholder lodged with the Company:

United Super Pty Ltd	47,978,869	8.10
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VOTING RIGHTS

On a show of hands, every shareholder of fully paid ordinary shares present in person or by proxy shall have one vote and upon a poll, each share shall have one vote.

STOCK EXCHANGE LISTING

Rex Minerals Ltd is listed on the ASX. The Company's ASX code is **RXM**.

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2023

ANNUAL REPORT

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