



*Rex Minerals Ltd*

*ABN 12 124 960 523*

*and its controlled entities*

*31 December 2020*

*Consolidated Interim Financial Report*

## Corporate Directory

### DIRECTORS

David Carland (Chairman)  
Richard Laufmann (Chief Executive Officer)  
Alister Maitland  
Ian Smith  
Ronald Douglas

### COMPANY SECRETARY

Kay Donehue

### PRINCIPAL & REGISTERED OFFICE

68 St Vincent Highway  
Pine Point, South Australia 5571

### CONTACT DETAILS

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Rundle Mall, South Australia 5000

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E: [rex@rexminerals.com.au](mailto:rex@rexminerals.com.au)

W: [www.rexminerals.com.au](http://www.rexminerals.com.au)

### SHARE REGISTRARS

Computershare Investor Services Pty Limited  
Yarra Falls, 452 Johnston Street  
Abbotsford, Victoria 3067

### AUDITORS

KPMG Australia  
151 Pirie Street  
Adelaide, South Australia 5000

### BANKERS

ANZ Banking Group Limited  
Level 21, 11 Waymouth Street  
Adelaide, South Australia 5000

Ord Minnett Ltd  
Level 7, 161 Collins Street  
Melbourne, Victoria 3000

### LEGAL ADVISORS

Baker McKenzie  
Level 19, 181 William Street  
Melbourne, Victoria 3000

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## Directors' report

The Directors present their report, together with the consolidated interim financial statements, of Rex Minerals Ltd (the Company or Rex) and its subsidiaries (the Group) for the half-year ended 31 December 2020 (the Half-Year) and the auditors' review report thereon.

### Directors

The Directors of the Company at any time during or since the end of the Half-Year are:

<b>Name</b>	<b>Period of directorship</b>
<b><i>Independent Non-Executive</i></b>	
David Carland Chairman	Appointed Chairman 1 January 2014 Appointed Director 12 December 2013
Alister Maitland Director	Appointed 16 September 2011
Ian Smith Director	Appointed 18 February 2019
Ronald Douglas Director	Appointed 18 February 2019
Mitchell Hooke AM Director	Retired 20 October 2020 Appointed 4 August 2015
<b><i>Executive</i></b>	
Richard Laufmann Chief Executive Officer & Managing Director	Appointed Managing Director 23 April 2015 Appointed Director 16 May 2007

### Principal activities

The principal activity of the Group during the period was minerals exploration, evaluation and development. Rex intends to make the best use of, and fully exploit, both the Hillside Resource and the Resource at the Hog Ranch Gold Property in Nevada USA. There were no significant changes in the nature of the Group's principal activities during the period. The Group's principal objective is to create value through the discovery and development of mineral resources.

### Operating results

The consolidated interim statement of profit or loss and other comprehensive income shows a loss after tax of \$4.6 million for the Half-Year ended 31 December 2020 (2019: loss \$2.6 million).

## Review of operations

### CORPORATE

With copper trading above the incentive price of US\$3.50/lb and gold continuing to hold above US\$1,800/oz, there is strong support to argue that a commodity super cycle for electrification assets (led by copper) and protective assets (led by gold) has begun.

The COVID-19 disruption has been severe and without doubt continues to reshape the future. Global travel remains unlikely, and domestically, interstate travel has not really opened up and continues to hamper our capacity to execute our work plans.

Rex raised a total of \$10 million, during the Half-Year, via a Placement from professional and sophisticated investors in Australia and overseas at 16.5c per share. Demand was well in excess of the funds sought by the Company. The Placement comprised the issue of 60.6 million new ordinary fully paid shares, issued on 10 September 2020. Existing eligible shareholders were also invited to participate through a Share Purchase Plan (SPP) at the same price per share. The SPP raised almost \$0.87 million and the resulting 5.2 million new fully paid ordinary shares were issued on 6 October 2020.

Mitchell H Hooke AM informed the Board that he would not seek re-election as a Non-Executive Director of the Company at the 2020 Annual General Meeting (AGM). The Board accepted Mr Hooke's resignation as at 20 October 2020.

The Company issued 5 million unlisted options to the Chief Executive Officer on 1 December 2020, following shareholder approval, under the same terms and conditions contained in the Company's approved Option Incentive Plan.

### HILLSIDE PROJECT – SOUTH AUSTRALIA (SA)

The Hillside Copper-Gold Project (Hillside Project) remains one of Australia's largest undeveloped open pit copper Mineral Resources and contains 2 million tonnes of copper and 1.4 million ounces of gold. With the SA Government's approval of the Program for Environment Protection and Rehabilitation (PEPR) for Stage 1 of the Project on 24 July 2020, Rex now has a pathway to development and has commenced looking at financing options for the Hillside Project.

The Hillside Project is planned around an open pit mine, initially with a 13-year mine life, producing approximately 35,000 tonnes of copper contained in concentrate and 24,000 ounces of gold per annum. Summarised below are the key financial outcomes from the updated capital and operating cost estimates for the Hillside Feasibility Study announced on 31 July 2020.

		Base Case 2020	Consensus Forecast July 2022	Incentive Case	Upside Case
Copper Price	US\$/lb	3.00	2.84	3.50	4.00
Gold Price	US\$/oz	1,550	1,638	1,800	1,800
Exchange Rate (AUD:USD)	\$	0.70	0.63	0.70	0.65
Post-Tax NPV <sub>5%</sub>	A\$M	501	640	869	1,394
Post-Tax IRR	%	16.2	19.0	23.2	32.0
C1 Cash Costs (after by-products)	US\$/lb	1.38	1.19	1.30	1.18
AISC	US\$/lb	1.60	1.40	1.55	1.44

## SA Mining Act

The SA Government completed its industry and public engagement process regarding the drafts of legislation to support the new Mining Act Amendments Bill which was passed in late 2019, and the newly-updated SA Mining Act Amendments Bill and related Legislation were ratified and gazetted on 1 January 2021.

## HOG RANCH PROPERTY – NEVADA USA

Rex has completed a range of activities at the Hog Ranch Property (Hog Ranch), which continues to outperform expectations in terms of the scale and quality of the opportunity which is rapidly being uncovered.

During the Half-Year, Rex completed several airborne surveys over the entire Hog Ranch property, undertook Reverse Circulation (RC) drilling at the Krista and Bells Projects, completed trials for ground-based 2D Induced Polarisation (IP) and initiated a cultural survey to pave the way for permitting.

The airborne surveys were completed using state of the art techniques to collect hyperspectral, magnetic and radiometric data. They were flown in the last quarter of 2020, with final processing and interpretations now well advanced. The new surveys are considered to form a critical dataset from which the greater potential at Hog Ranch can be identified. Initial data reviews and surface ground checks have already encouraged Rex to triple its land holding at Hog Ranch, which currently covers over 70 sq kms.

The RC drilling programs undertaken were designed to test a number of key features associated with the gold mineralisation at both the Krista and Bells Projects. At Krista, there were two drilling campaigns. The first was designed to confirm further extensions to the gold mineralisation, beyond the current historical drill hole database. The second focused on confirming the location of higher-grade trends that appear to exist in some sections of the historical drill hole data.

Both drilling campaigns at Krista were successful in identifying further extensions and expanding on the previously defined higher-grade trends. Work is now underway to convert these results into an updated Mineral Resource estimate for Krista.

Similarly, at Bells, successful confirmation drilling from 2019 was followed up in 2020 to identify some possible extensions to the gold mineralisation, in addition to upgrading portions of the Mineral Resource from Inferred into Indicated. Initial results from the 2020 drilling at Bells were reported during the Half-Year and work is also underway at Bells with regard to updating the Mineral Resource estimate.

Rex also completed several lines of an IP geophysical orientation survey over known gold mineralisation at the Airport and Cameco deposits. The results from the survey are extremely encouraging because they have identified key features (anomalies) which correlate to known high-grade gold drill intersections at both locations. Based on the orientation survey data, Rex is confident that IP will be an effective exploration tool to fast track the discovery of additional gold mineralisation throughout Hog Ranch.

## SUPPLEMENTARY INFORMATION

### Forward-Looking Statements

This Half-Year report contains “forward-looking statements”. All statements other than those of historical facts included in this announcement are forward-looking statements. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to, 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.

### Competent Persons’ Statement - Hog Ranch

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 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 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. The information in this report that relates to mining is based on, and fairly reflects, information compiled by Mr McHugh. 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.

### Competent Persons’ Report – Ore Reserves – Hillside Project

The information in this report that relates to Ore Reserves is based on information compiled by Mr Charles McHugh who is a Fellow of the Australasian Institute of Mining and Metallurgy and is 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 their information in the form and context in which it appears.

### **Competent Persons' Report – Mineral Resources – Hillside Project**

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled by Mr Patrick Say who is a Member of the Australasian Institute of Mining and Metallurgy and was an employee of Rex Minerals Ltd at that time. Mr Say has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Say consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

### **Base Case Assumptions – Hillside Project**

The Hillside FS (2020) price assumptions for the life of the operation are Copper US\$3.00/lb; Gold US\$1,550/oz and exchange rate of AUD:USD \$0.70.

### **Events since the end of the reporting period**

On 16 February 2021, the Company issued 333,333 shares following the exercise of options by a Non-Executive Director at a price of 8.4 cents, expiring 31 January 2023.

Other than mentioned above, no matters or circumstances have arisen since 31 December 2020 that have significantly affected the Group's operations, results or state of affairs.

### **Lead Auditor's Independence Declaration**

The lead auditor's independence declaration is set out on page 20 and forms part of the Directors' report for the Half-Year ended 31 December 2020.

Signed in accordance with a resolution of the Directors:



**Richard Laufmann**  
Chief Executive Officer

Dated at Melbourne this 25<sup>th</sup> day of February 2021



## Consolidated interim statement of financial position

As at

	Note	31 Dec 2020 \$000	30 June 2020 \$000
<b>Current assets</b>			
Cash and cash equivalents		9,001	2,990
Trade and other receivables		115	41
Prepayments		93	47
<b>Total current assets</b>		<b>9,209</b>	<b>3,078</b>
<b>Non-current assets</b>			
Exploration and evaluation expenditure		3,243	3,243
Property, plant and equipment		14,304	14,339
Water infrastructure		4,076	4,076
<b>Total non-current assets</b>		<b>21,623</b>	<b>21,658</b>
<b>Total assets</b>		<b>30,832</b>	<b>24,736</b>
<b>Current liabilities</b>			
Trade and other payables		684	344
Employee benefits		612	605
Borrowings	6	-	4,400
<b>Total current liabilities</b>		<b>1,296</b>	<b>5,349</b>
<b>Non-current liabilities</b>			
Employee benefits		69	67
Provisions		-	36
Borrowings	6	4,400	-
<b>Total non-current liabilities</b>		<b>4,469</b>	<b>103</b>
<b>Total liabilities</b>		<b>5,765</b>	<b>5,452</b>
<b>Net assets</b>		<b>25,067</b>	<b>19,284</b>
<b>Equity</b>			
Issued capital	7(i)	208,266	197,953
Reserves		902	810
Accumulated losses		(184,101)	(179,479)
<b>Total equity</b>		<b>25,067</b>	<b>19,284</b>

The condensed notes on pages 13 to 16 are an integral part of these consolidated interim financial statements.

## Consolidated interim statement of profit or loss and other comprehensive income

### For the six months ended

	Note	31 Dec 2020 \$000	31 Dec 2019 \$000
Finance income		14	11
Government grants		48	-
Corporate and compliance		(404)	(575)
Depreciation expense		(31)	(34)
Employee benefits expense		(1,102)	(1,052)
Marketing expenses		(82)	(54)
Exploration and evaluation		(2,691)	(941)
Borrowing costs		(224)	-
Foreign currency revaluation		(178)	-
Gain on disposal of fixed assets		9	-
<b>Loss before tax</b>		<b>(4,641)</b>	<b>(2,645)</b>
Income tax benefit		-	-
<b>Total loss for the period after tax</b>		<b>(4,641)</b>	<b>(2,645)</b>
Other comprehensive income/(loss)		-	-
<b>Total comprehensive loss attributable to members of Rex Minerals Ltd</b>		<b>(4,641)</b>	<b>(2,645)</b>
<b>Loss per share attributable to members of Rex Minerals Ltd</b>			
Basic and diluted loss per share (cents)		(1.33)	(0.89)

The condensed notes on pages 13 to 16 are an integral part of these consolidated interim financial statements.

## Consolidated interim statement of changes in equity

For the six months ended 31 December

	Share capital	Share based payments reserve	Accumulated losses	Total equity
	\$000	\$000	\$000	\$000
Balance at 1 July 2020	197,953	810	(179,479)	19,284
Issue of ordinary shares	10,929	-	-	10,929
Transaction costs of share issue	(616)	-	-	(616)
Share based payments compensation	-	111	-	111
Transfers from share based payments reserve	-	(19)	19	-
Total comprehensive loss for the period	-	-	(4,641)	(4,641)
<b>Balance at 31 December 2020</b>	<b>208,266</b>	<b>902</b>	<b>(184,101)</b>	<b>25,067</b>
Balance at 1 January 2020	197,953	743	(176,965)	21,731
Issue of ordinary shares	-	-	-	-
Transaction costs of share issue	-	-	-	-
Share based payments compensation	-	67	-	67
Transfers from share based payments reserve	-	-	-	-
Total comprehensive loss for the period	-	-	(2,514)	(2,514)
<b>Balance at 30 June 2020</b>	<b>197,953</b>	<b>810</b>	<b>(179,479)</b>	<b>19,284</b>

The condensed notes on pages 13 to 16 are an integral part of these consolidated interim financial statements.

## Consolidated interim statement of cash flows

For the six months ended

	31 Dec 2020 \$000	31 Dec 2019 \$000
<b>Cash flows from operating activities</b>		
Cash paid to suppliers and employees	(1,509)	(1,592)
Exploration and evaluation payments	(2,683)	(1,233)
Interest received	17	19
Government grants	38	-
<b>Net cash from/(used in) operating activities</b>	<b>(4,137)</b>	<b>(2,806)</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	-	-
Proceeds from disposal of property, plant and equipment	13	-
<b>Net cash from/(used in) investing activities</b>	<b>13</b>	<b>-</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of share capital	10,929	784
Payment of transaction costs	(616)	-
Proceeds from borrowing	-	-
Payment of borrowing costs	-	-
<b>Net cash from/(used in) financing activities</b>	<b>10,313</b>	<b>784</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>6,189</b>	<b>(2,022)</b>
Cash and cash equivalents at beginning of the period	2,990	2,723
Effect of movement in exchange rates	(178)	-
<b>Cash and cash equivalents at period end</b>	<b>9,001</b>	<b>701</b>

The condensed notes on pages 13 to 16 are an integral part of these consolidated interim financial statements.

## Condensed notes to the consolidated interim financial statements

### 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. The consolidated financial statements as at and for the six month period ended 31 December 2020 comprise the Company and its subsidiaries (together referred to as the Group and individually as Group entities). The Group is a for profit entity primarily involved in minerals exploration and evaluation in Australia and USA.

The consolidated annual financial statements of the Group as at and for the year ended 30 June 2020 are available upon request from the Company's registered office or at 'www.rexminerals.com.au'.

### 2. Basis of preparation

#### a) Statement of compliance

The consolidated interim financial statements have been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended 30 June 2020. The consolidated interim financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated annual financial statements of the Group as at and for the year ended 30 June 2020.

These consolidated interim financial statements were approved by the Board of Directors on 25 February 2021.

#### b) Basis of measurement

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

The Group financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business. As at 31 December 2020, non-current liabilities includes borrowings of \$4.4 million which mature in March 2022. The Directors expect to either raise capital to repay these borrowings or agree to extend the maturity date.

### 3. Significant accounting policies

The accounting policies applied by the Group in preparing the consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 30 June 2020.

### 4. Estimates

The preparation of the consolidated interim 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 expense. Actual results may differ from these estimates.

In preparing these consolidated interim financial statements, the significant judgements made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 30 June 2020.

## 5. Operating segments

The Group has two reportable segments for the Half-Year ended 31 December 2020, which are the Group's areas of exploration 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 Property, where the focus is on gold exploration in four key project areas. For each reportable segment, the CEO reviews internal management reports on at least a quarterly basis.

	South Australia \$000	Nevada, USA \$000	Unallocated \$000	Total \$000
<b>31 December 2020</b>				
Finance income	-	-	14	<b>14</b>
Government grants	-	-	48	<b>48</b>
Losses before tax (including depreciation and interest expense)	741	2,497	1,403	<b>4,641</b>
Depreciation	27	-	4	<b>31</b>
Interest expense	-	-	223	<b>223</b>
<b>31 December 2019</b>				
Finance income	-	-	11	<b>11</b>
Losses before tax (including depreciation)	566	936	1,143	<b>2,645</b>
Depreciation	30	-	4	<b>34</b>

## 6. Borrowings

	31 Dec 2020 \$000	30 June 2020 \$000
<b>Current</b>		
Borrowings	-	4,400
<b>Total current borrowings</b>	-	<b>4,400</b>
<b>Non-current</b>		
Borrowings	4,400	-
<b>Total non-current borrowings</b>	<b>4,400</b>	-

In September 2020, the repayment date on the loan facility was extended by a period of twelve months to March 2022, all other loan terms remain the same. As at 31 December 2020, land and buildings with a carrying value of \$14.110 million were held as security for the loan facility.

## 7. Issued capital and reserves

### (i) Movements in shares on issue:

	Date of issue	No. of shares	Issue price	\$'000
Opening balance at 1 July 2020		309,674,882		197,953
Exercise of options	29/07/2020	666,666	0.084	56
Issue of shares	09/09/2020	60,606,062	0.165	10,000
Cost of issue	09/09/2020			(597)
Issue of shares	05/10/2020	5,289,976	0.165	873
Cost of issue	05/10/2020			(19)
<b>Closing balance at 31 December 2020</b>		<b>376,237,586</b>		<b>208,266</b>
Opening balance at 1 January 2020		309,674,882		197,953
<b>Closing balance at 30 June 2020</b>		<b>309,674,882</b>		<b>197,953</b>

### (ii) Movements in options on issue:

	Date of issue	No. of options	Exercise price	Expiry date
Opening balance at 1 July 2020		14,100,000		
Exercise of options	14/02/2019	(666,666)	0.084	31/01/2023
Issue of options	01/12/2020	5,000,000	0.175	30/11/2024
<b>Closing balance at 31 December 2020</b>		<b>18,433,334</b>		
Opening balance at 1 January 2020		2,000,000		
Issue of options	06/03/2020	12,100,000	0.070	29/02/2024
<b>Closing balance at 30 June 2020</b>		<b>14,100,000</b>		

### (iii) Movements in Hog Ranch Consideration Rights:

	Date of issue	No. of rights	Exercise price	Expiry date
Opening balance at 1 July 2020		20,000,000		
<b>Closing balance at 31 December 2020</b>		<b>20,000,000</b>		
Opening balance at 1 January 2020		20,000,000		
<b>Closing balance at 30 June 2020</b>		<b>20,000,000</b>		

As announced to the ASX on 25 November 2019, the Company completed the acquisition of Hog Ranch Group Pty Ltd and has issued 20 million Hog Ranch Consideration Rights (HRCR) which convert to Rex shares on the outcome of the following milestones:

- a. 5 million HRCR on announcement by Rex to the ASX by no later than 31 October 2024 on completion of an Inferred Mineral Resource in addition to any Indicated and Measured Mineral Resource in total of 2Moz or higher of contained gold as defined by the 2012 JORC Code with respect to the Hog Ranch Property and has a minimum grade of 0.4 g/t of gold in addition to a minimum tonnage of 100 Mt; and
- b. 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 Half-Year, no HRCR were converted or cancelled as the above milestones are yet to be achieved by the Company.

## **8. 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 \$20,000 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 \$20,000 as at 31 December 2020.

## **9. Subsequent events**

On 16 February 2021, the Company issued 333,333 shares following the exercise of options by a Non-Executive Director at a price of 8.4 cents, expiring 31 January 2023.

Other than mentioned above, no matters have arisen since the end of the reporting period which may affect the operations, results, or state of affairs of the Group in future periods.



## Directors' declaration

In the opinion of the Directors of Rex Minerals Ltd (the Company):

1. the consolidated interim financial statements and notes set out on pages 9 to 16 are in accordance with the *Corporations Act 2001*, including:
  - a) giving a true and fair view of the Group's financial position as at 31 December 2020 and of its performance, for the half-year ended on that date; and
  - b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:



**Richard Laufmann**  
Chief Executive Officer

Dated at Melbourne this 25<sup>th</sup> day of February 2021.



# Independent Auditor's Review Report

To the shareholders of Rex Minerals Ltd

## Conclusion

We have reviewed the accompanying **Interim Financial Report** of Rex Minerals Ltd and its subsidiaries (the "Group").

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of the Group does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Group's** financial position as at 31 December 2020 and of its performance for the Half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Interim Financial Report** comprises:

- Consolidated statement of financial position as at 31 December 2020;
- Consolidated interim statement of profit or loss and other comprehensive income, Consolidated interim statement of changes in equity and Consolidated interim statement of cash flows for the Half-year ended on that date;
- Notes 1 to 9 comprising a summary of significant accounting policies and other explanatory information; and
- The Directors' Declaration.

The **Group** comprises Rex Minerals Ltd (the Company) and the entities it controlled at the Interim Period's end or from time to time during the Interim Period.

## Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report.

We are independent of the Group in accordance with the auditor independence requirements of 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

## Responsibilities of the Directors for the Interim Financial Report

The Directors of the Company are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards and the Corporations Act 2001*; and
- such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



## Auditor's Responsibilities for the Review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Interim Financial Report does not comply with the Corporations Act 2001 including giving a true and fair view of the Group's financial position as at 31 December 2020 and its performance for the Interim Period ended on that date, and complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

A review of an Interim Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Paul Cenko  
Partner

Adelaide  
25 February 2021



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

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To the Directors of Rex Minerals Ltd

I declare that, to the best of my knowledge and belief, in relation to the review of Rex Minerals Ltd for the half-year ended 31 December 2020 there have been:

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

  
KPMG



Paul Cenko  
Partner

Adelaide  
25 February 2021