

Copper-Gold

Pine Point Copper Belt : South Australia : Overview



Rex Minerals has exploration licences in one of the most prospective locations in the world for large-scale copper-gold deposits. The licences are located in South Australia, within a geological terrane called the Gawler Craton. The Gawler Craton hosts Australia's largest historical copper mines which occur at Moonta, which is within 50 kilometres of Rex's exploration licences on the Yorke Peninsula.

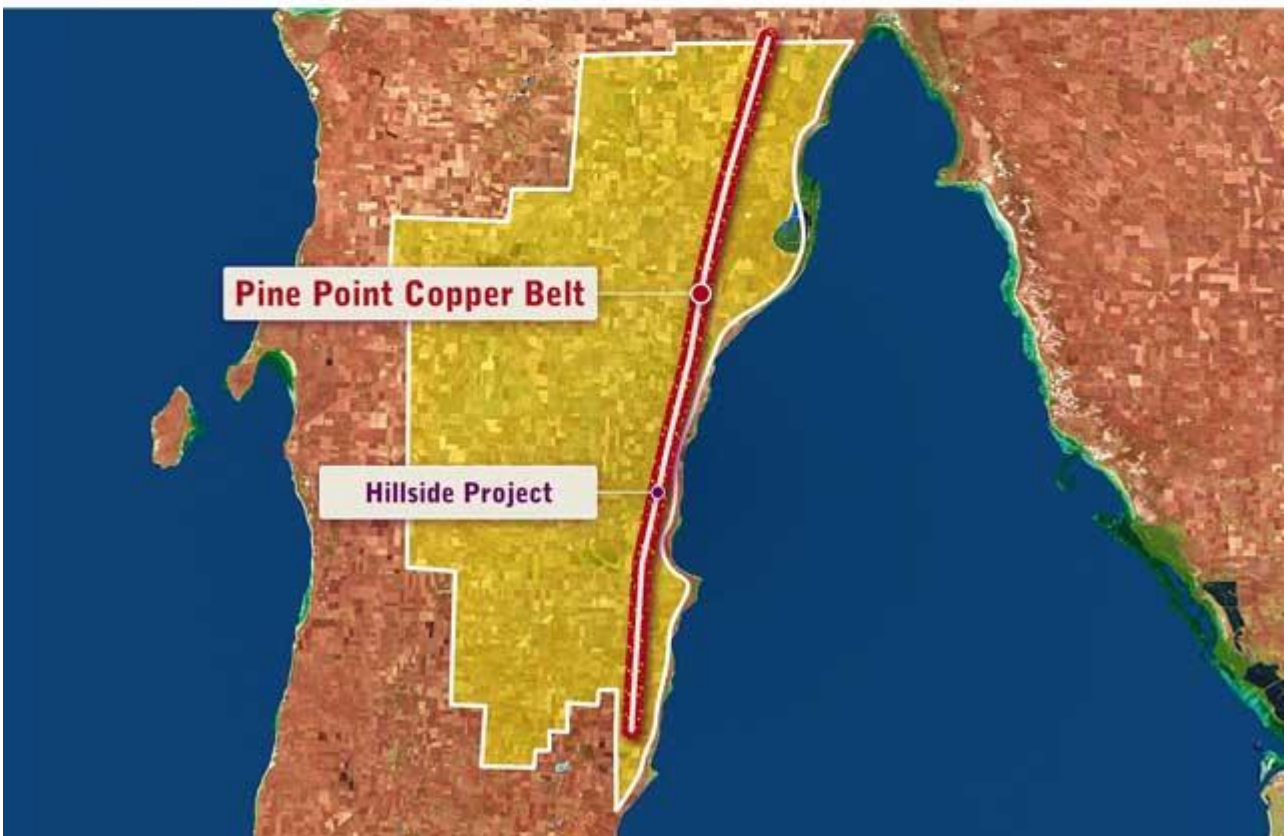
Most of the rocks in the Gawler Craton are covered by a sequence of younger rocks that have effectively hidden many large copper deposits from the early explorers. In more recent times, exploration underneath these cover rocks has led to the discovery of Olympic Dam – which is Australia's largest copper deposit and also one of the world's largest polymetallic deposits.

Additional discoveries such as Prominent Hill and Carapateena have shown that there is further potential to uncover large-scale copper-gold deposits within the Gawler Craton.

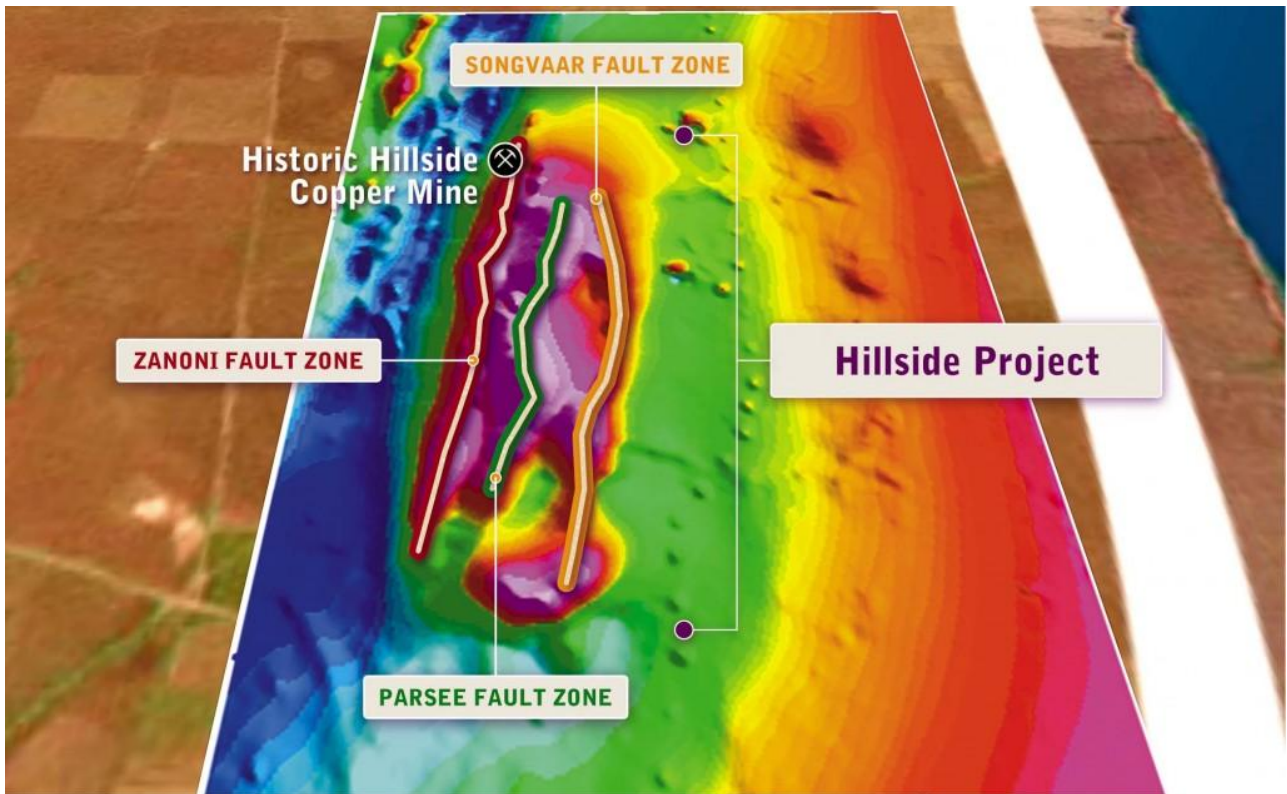


Pine Point Copper Belt : South Australia : Hillside Project

In 2009 Rex made a significant copper discovery at the Hillside Project, which is situated within a two hour drive of Adelaide on the Yorke Peninsula. The Hillside Project is one of many targets that exist along the Pine Point Copper Belt, which are the foundation to Rex's objective of creating a new large-scale and long-life copper operation in South Australia.

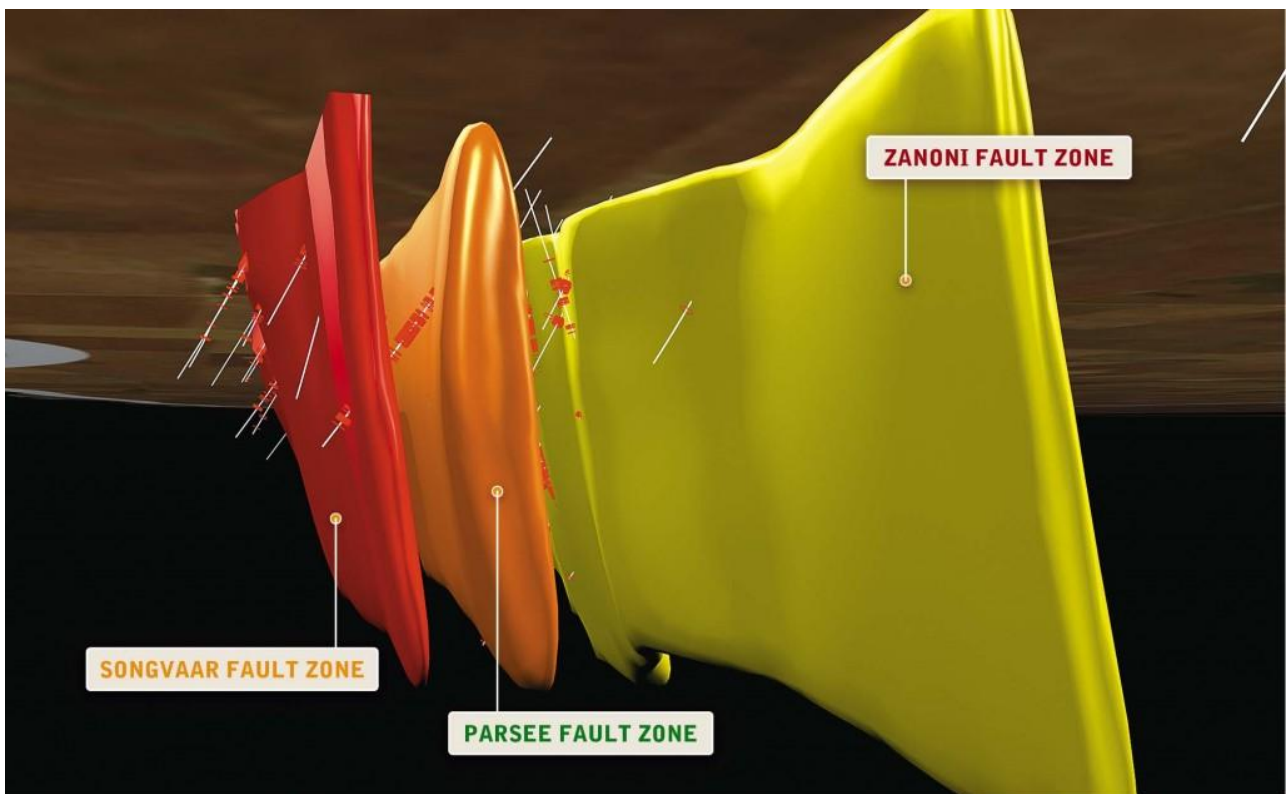


At Hillside, Rex has discovered copper-gold mineralisation on three separate structures, the Zanoni, Parsee and Songvaar. These structures are broadly defined by a magnetic anomaly that exists over an area that is 2 kilometres long and 500 metres wide.



Pine Point Copper Belt : South Australia : Hillside Project – Geology

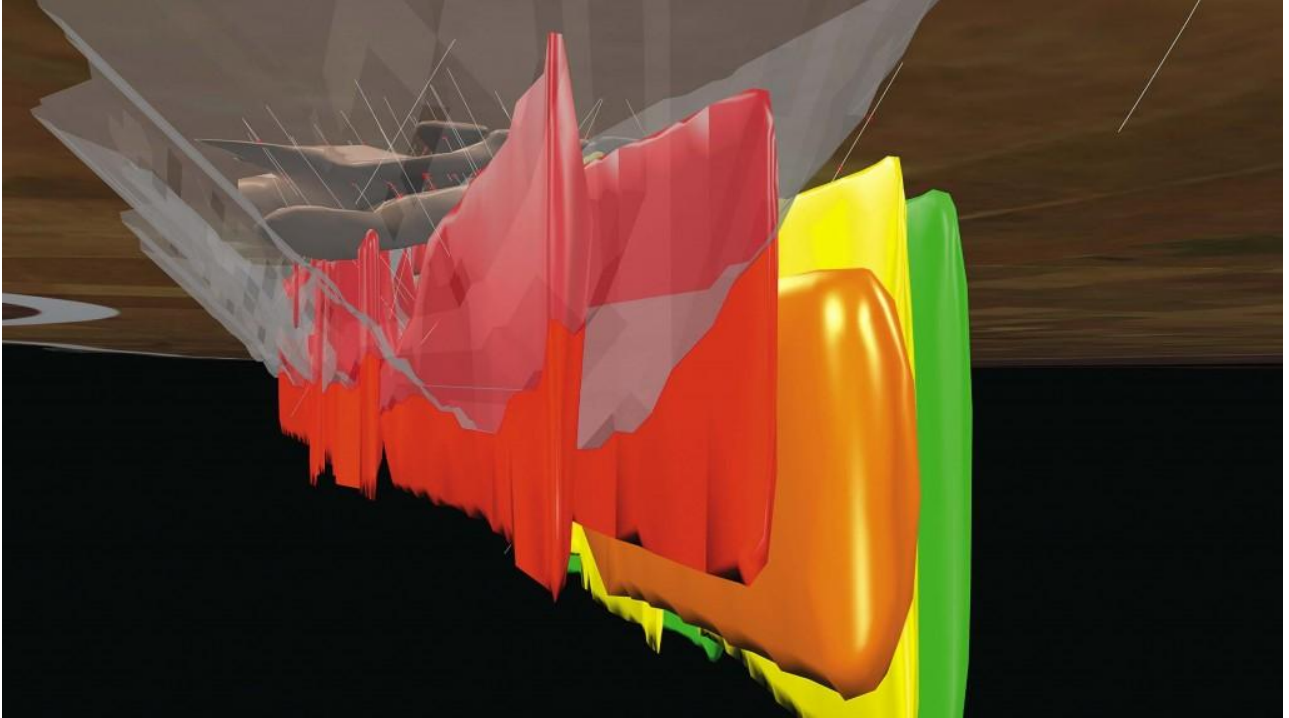
Drilling at Hillside has defined extensive copper mineralisation associated with this magnetic anomaly. The copper has been defined from 10 metres beneath the surface to a depth of over 500 metres.



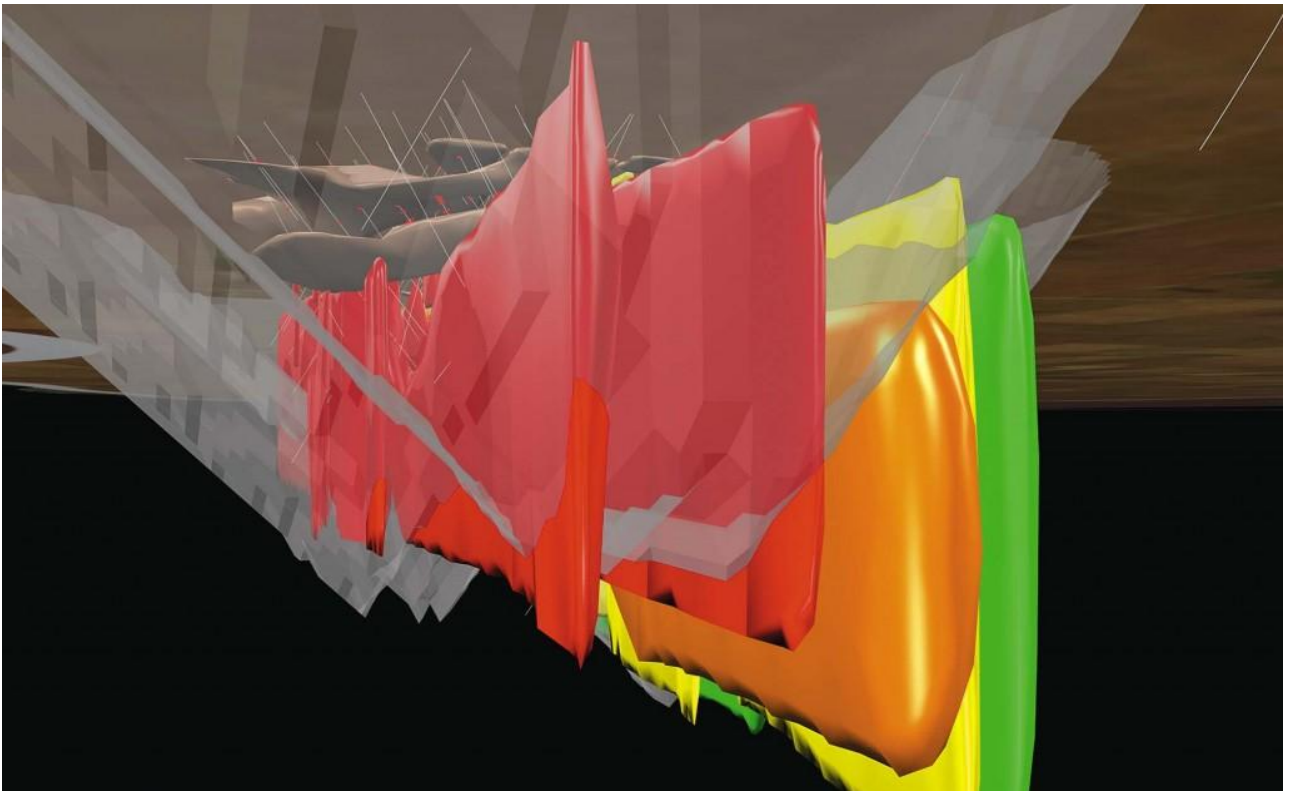
Pine Point Copper Belt : South Australia : Hillside Project – Mining

Conceptual open pit studies have commenced at Hillside with preliminary work completed to show the potential of the project to fit within a large-scale open pit design.

Rex has initiated the mining study to take into account the existing Mineral Resource estimate and surrounding exploration potential. The total target size is being considered for the purpose of life of mine planning.



Hillside Project Conceptual Pit: Stage 1 (View Looking South)



Hillside Project Conceptual Pit: Stage 2 (View Looking South)

Pine Point Copper Belt : South Australia : Hillside Project – Metallurgy

The primary copper mineralisation at Hillside is dominated by the copper mineral chalcopyrite which is typically found in association with magnetite and pyrite. This mineralisation is interpreted to occupy as much as 85% of the Hillside deposit.

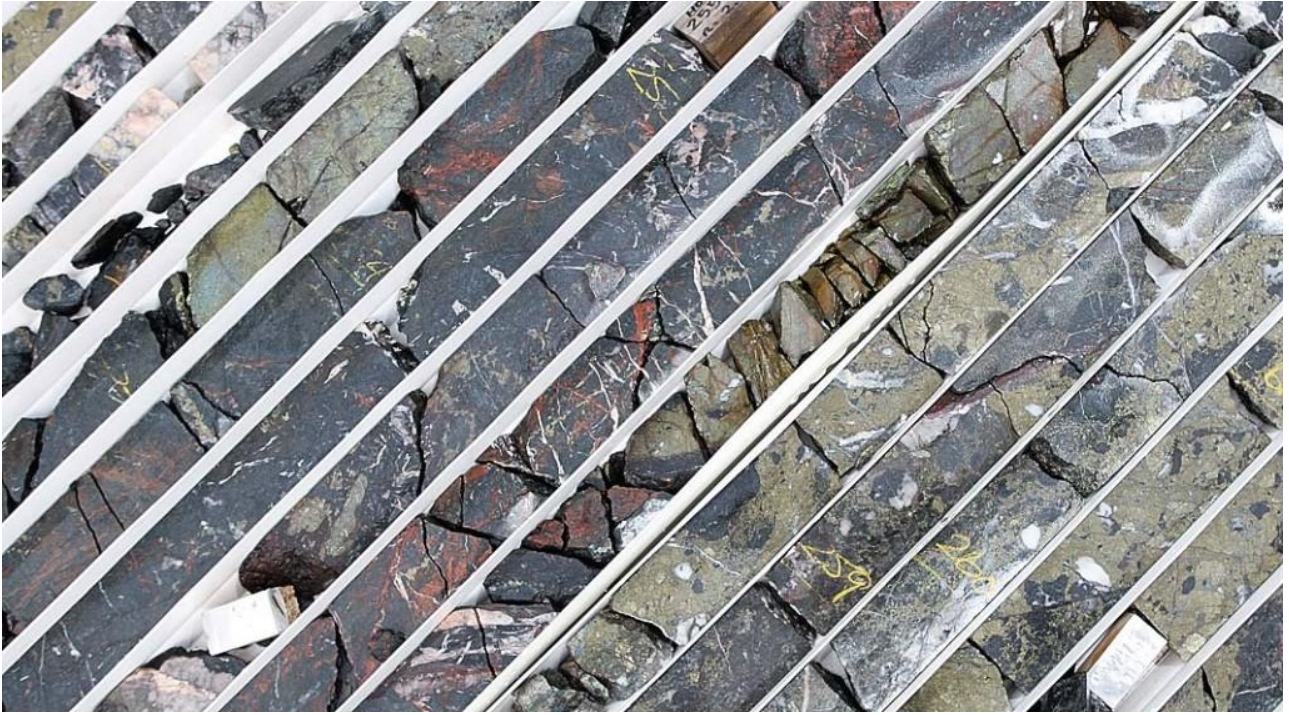
Initial metallurgical test work on this type of ore has revealed the following:

- Primary Copper recovery ranges from 90 to 94%.
- Gold recovery ranges from 75 to 77%.
- Magnetite is also recoverable and produces a 65% iron concentrate.

Copper recovery of the shallow oxide ore was also tested for leaching with the following results:

- Copper recovery of between 70 and 80%.





Pine Point Copper Belt : South Australia : Hillside Project – Resource

Rex Minerals Limited ('Rex') has completed an updated Mineral Resource estimate for its 100% owned Hillside copper project on the Yorke Peninsula, South Australia.

The Inferred Mineral Resource estimate at Hillside (announced on 6 December 2010) is 170Mt @ 0.7% copper and 0.2g/t gold which equates to 1.2 million tonnes of copper and 1.1 million ounces of gold.

The current Resource estimate covers between 50 and 60% of a magnetic anomaly which has been used as the main targeting tool for the definition of copper at Hillside. Beyond the current Inferred Resource estimate and within the boundaries of the magnetic anomaly, additional drilling has already intersected extensions to the copper mineralisation.

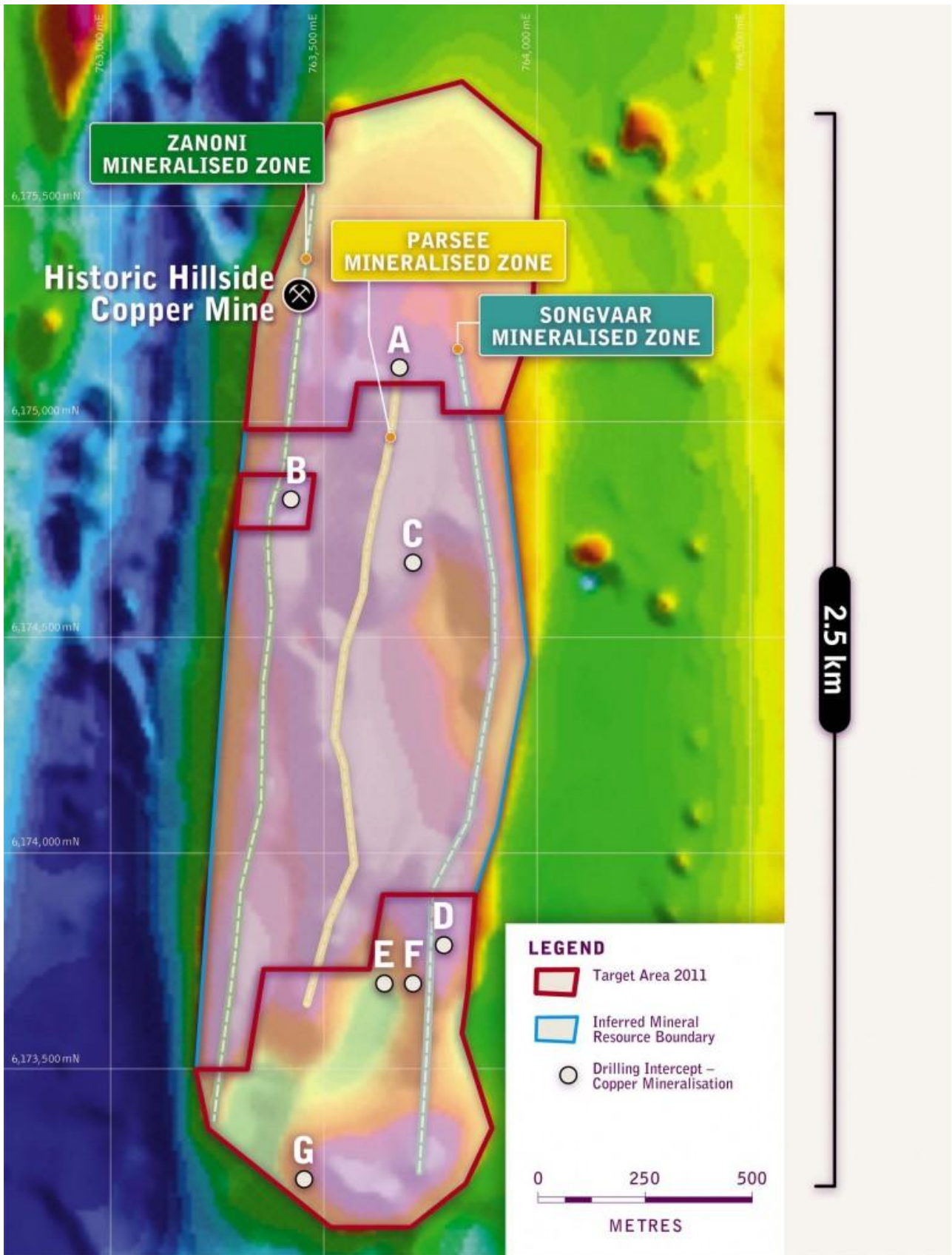
Rex has already increased the size of the Mineral Resource at Hillside during 2010 and is targeting a total target size ranging between 1.5 and 2.8 million tonnes of contained copper*.

Drilling Results beyond the current Mineral Resource estimate:

Refer to Diagram Below

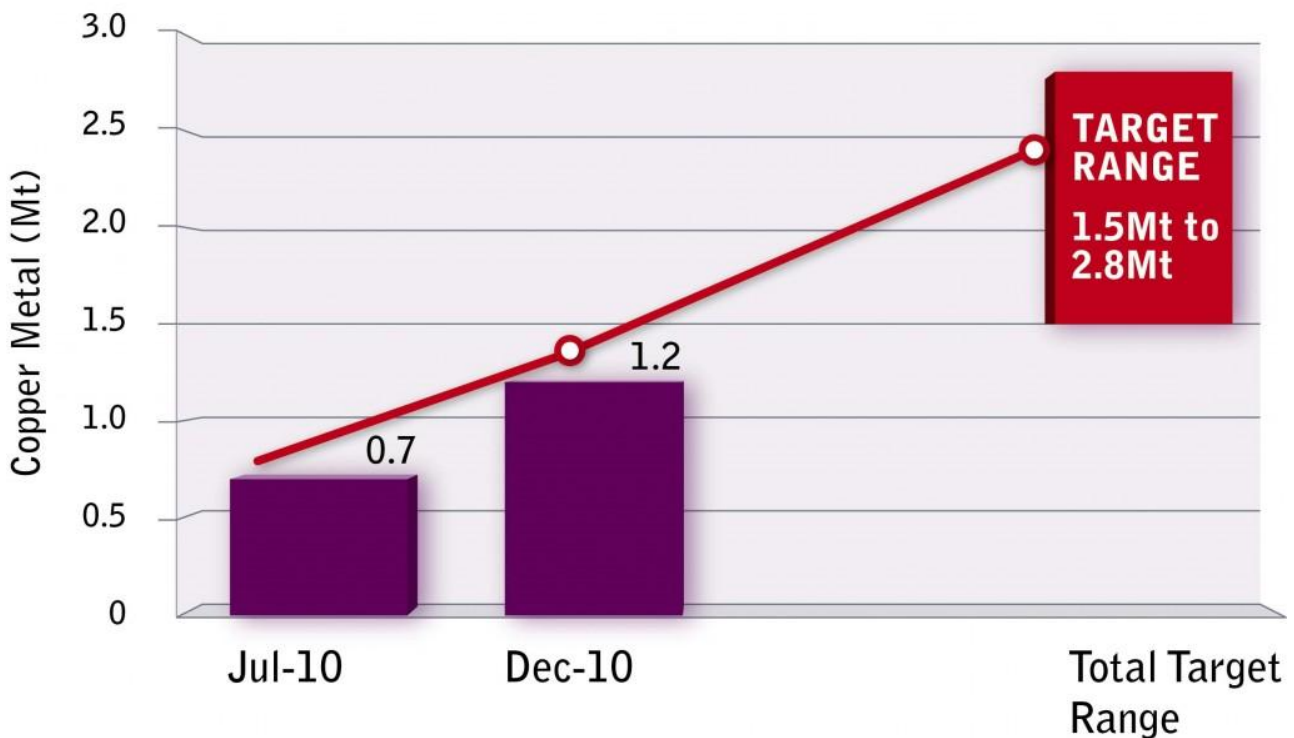
- A 200m @ 0.4% copper
- B 14m @ 1.6% copper
- C 51m @ 2.8% copper
- D 56m @ 0.5% copper
- E 84m @ 0.4% copper
- F 11m @ 0.7% copper
- G 15m @ 2.2% copper

Total Target Size: 1.5Mt to 2.8Mt copper*



Hillside Image with Drilling Results A to G

Hillside Resource Growth : Copper Metal (Mt)



**The total target size is conceptual in nature. There has been insufficient exploration to define a Mineral Resource in excess of that currently announced, and while Rex has confidence in this target statement, it is uncertain if further exploration will result in the determination of additional Mineral Resources – This statement is made in accordance with the requirements of Clause 18 of the JORC Code 2004.*

Pine Point Copper Belt : South Australia : Hillside Project – Infrastructure

The Hillside project and the other copper targets on the Yorke Peninsula have a number of key advantages compared to many other new copper development opportunities around the world. These include:

Infrastructure – A major highway connects the Hillside project to numerous major ports.

People and Equipment – The Hillside project is connected by a major highway (within a 2 hour drive) to the city of Adelaide (population 1.2 million). The Hillside project has the potential to draw most of the required skilled labour and equipment from Adelaide.

Power – The area is connected to the State's main power grid.

Port and Town – The Hillside project is 12 kms from the Port and Town of Ardrossan. Ardrossan is a community familiar with mining given that an open cut dolomite mine is nearby and ships product through the Port.



Port of Ardrossan



Map of Yorke Peninsula indicating main roads and ports



Aerial view showing position of the Hillside Project Area

Pine Point Copper Belt : South Australia : Hillside Project – Regional Potential

Hillside Project

Inferred Mineral Resource 170Mt @ 0.7%Cu and 0.2g/t Au

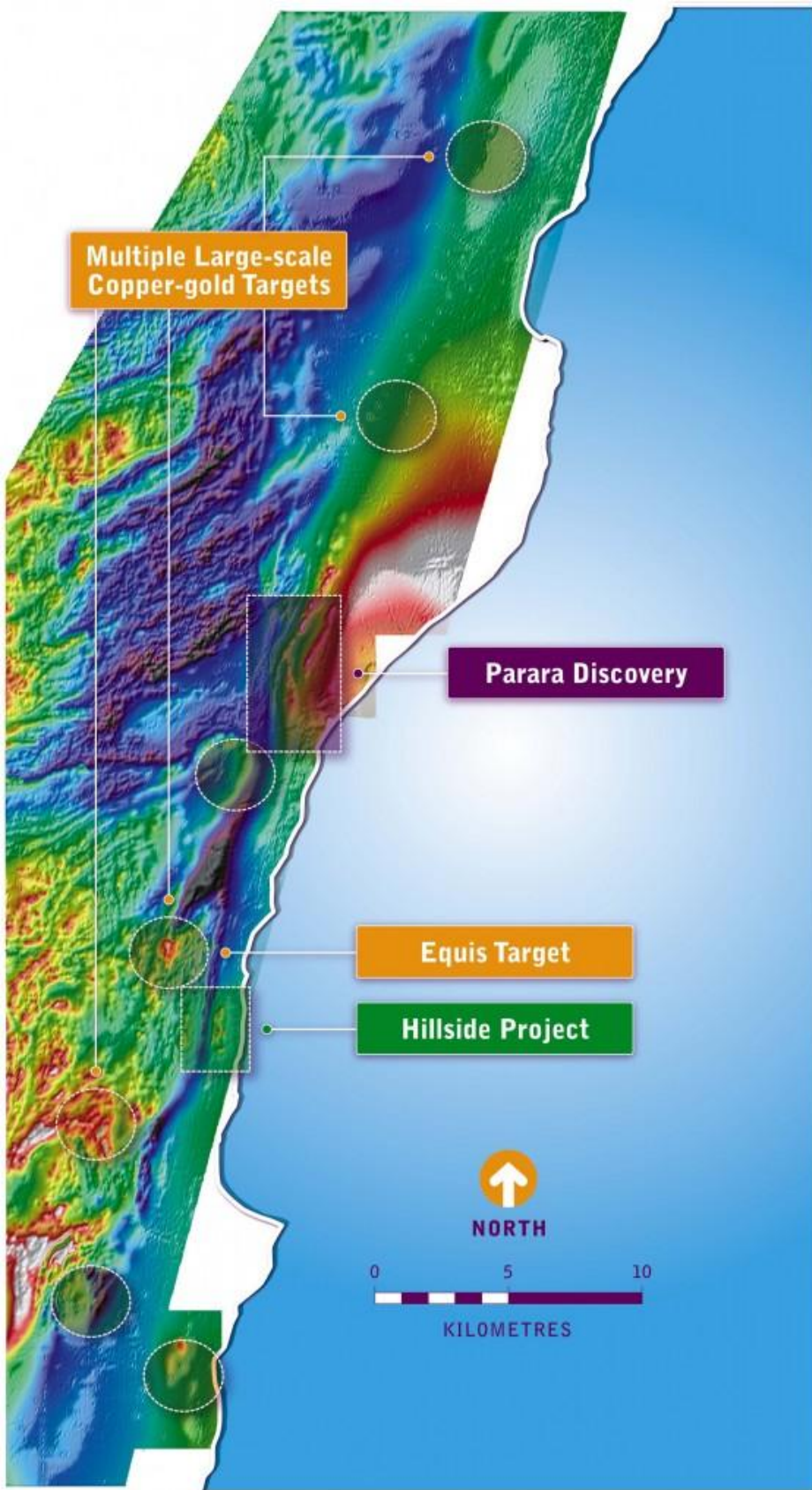
Total Target Size 1.5 to 2.8Mt copper*

Parara Discovery

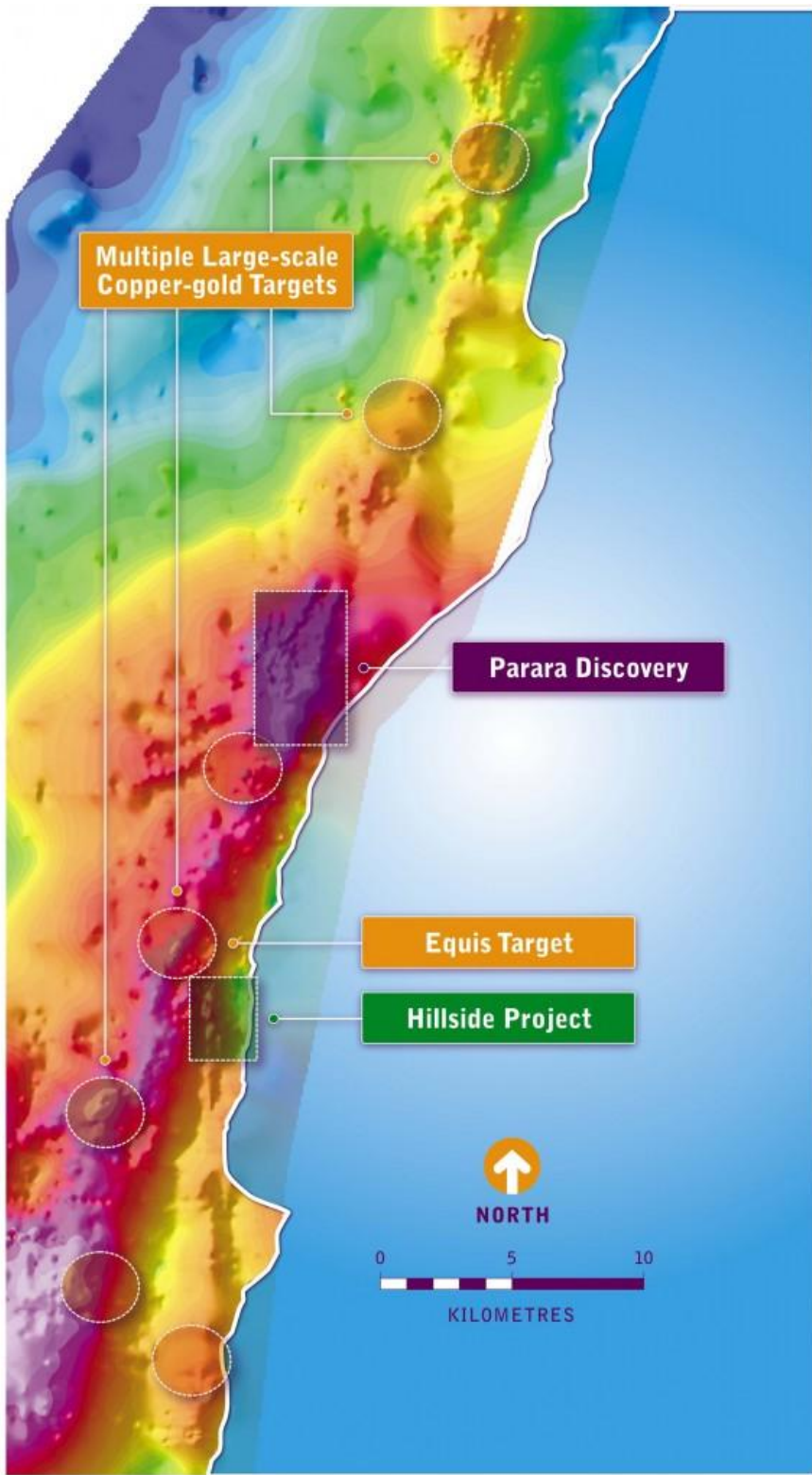
PDD011

34m @ 0.6% copper from 29m

Multiple Large-scale Copper-gold Targets



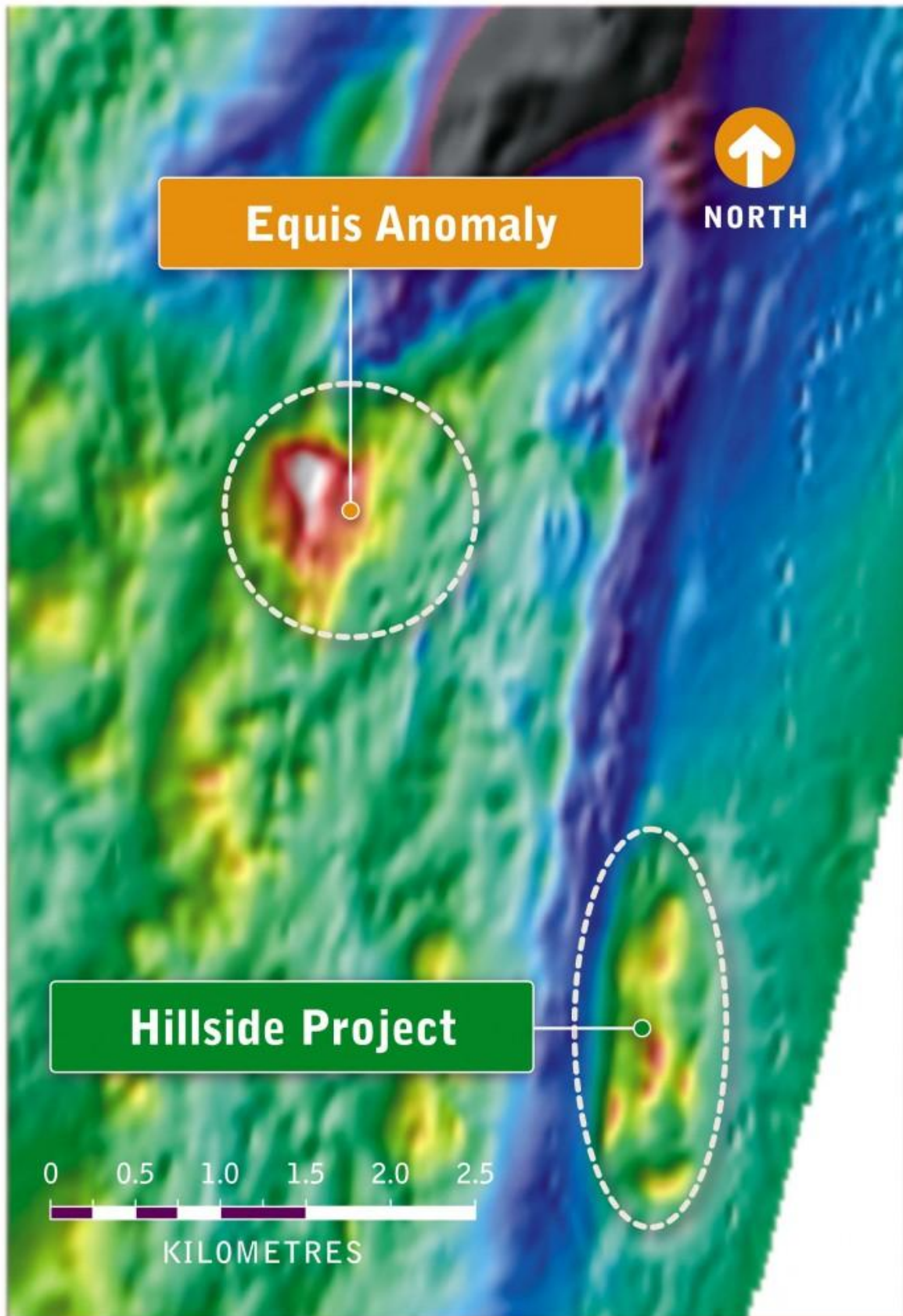
Pine Point Copper Belt: Regional Magnetic Map



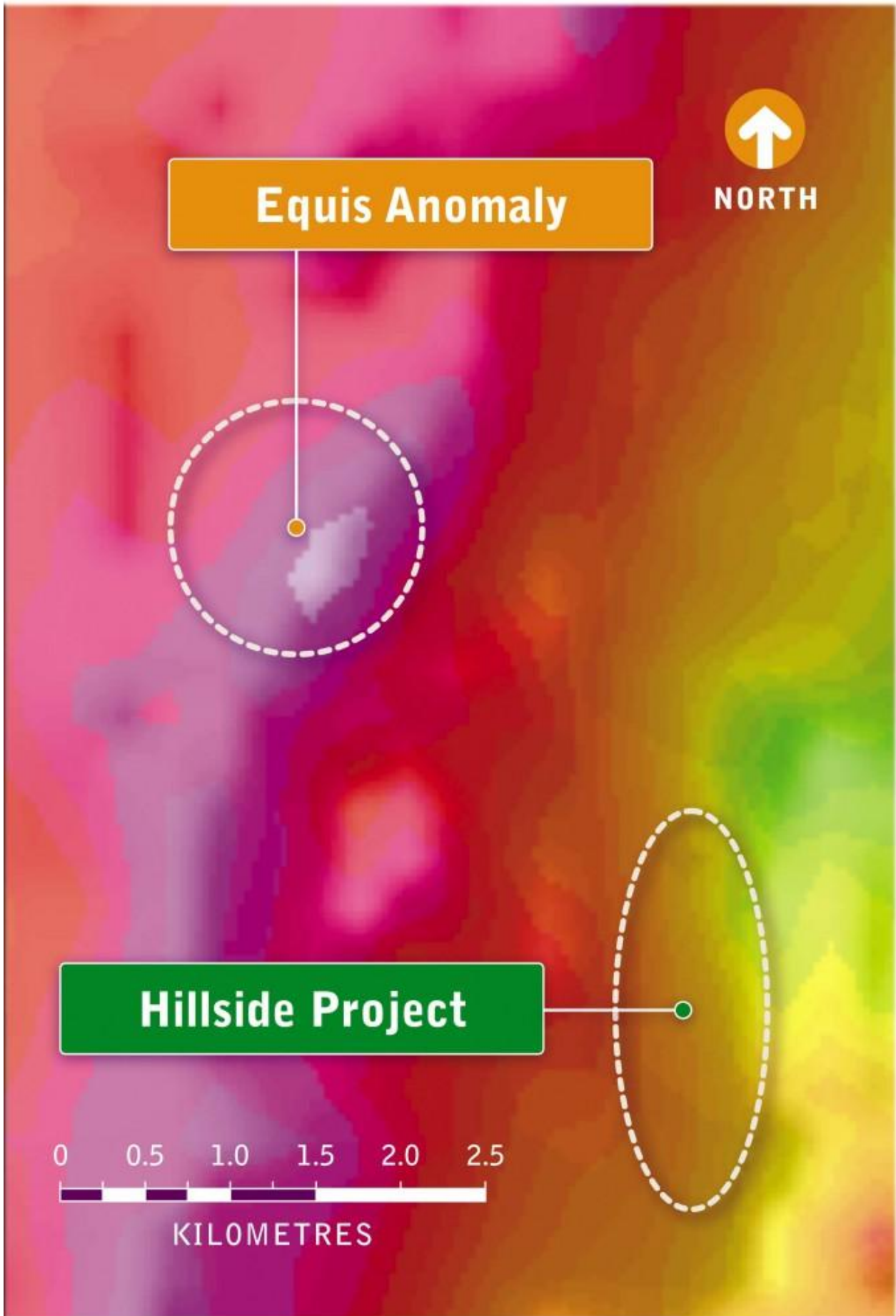
Pine Point Copper Belt: Regional Gravity Map

A number of new high priority targets have been defined in close proximity to Hillside, including the Equis target which is 3km to the north-east of Hillside. Many of these targets display combined magnetic and gravity anomalies (typically offset from each other). Such characteristics are all considered to be important attributes of the Olympic Dam, Prominent Hill, Carapateena and the Hillside discoveries.

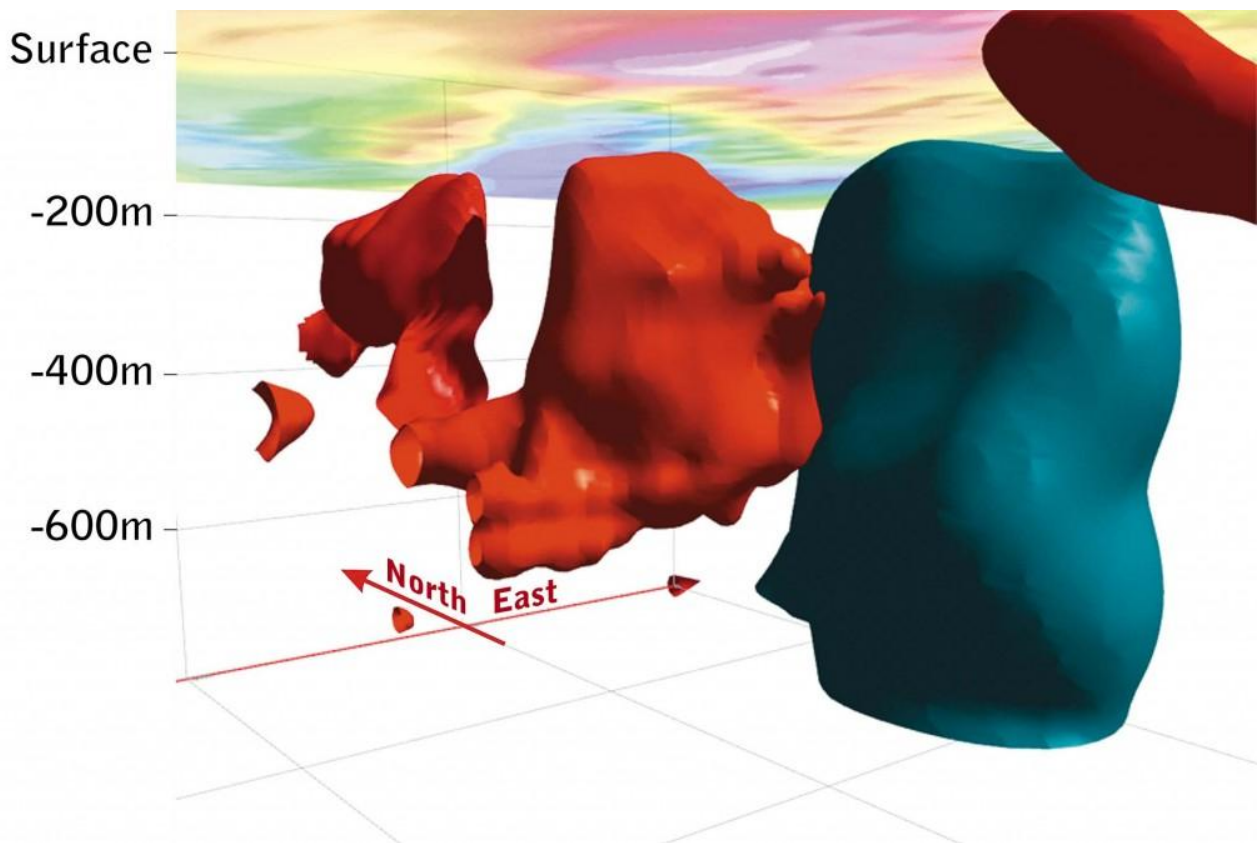
Of particular note is that many of the recently defined targets have greater magnetic and/or gravity anomalies than the Hillside project. The Rex team remains confident that the Yorke Peninsula will host multiple large scale copper-gold deposits and have committed to a substantial diamond drilling campaign over 2011/12 designed to prove this concept.



Equis Anomaly and Hillside Project: Magnetic Map



Equis Anomaly and Hillside Project: Gravity Map



3D Model of Equis Anomaly Target

Pine Point Copper Belt : South Australia : Path to Development

