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ASX and Media Release: 31 July 2020
ASX code: RXM

Additional Information to Hillside Feasibility Costing Update

Rex Minerals Ltd (Rex or the Company) would like to provide additional details in relation to the announcement released to the ASX on 28 July 2020 titled "Hillside Feasibility Costing Update".

This announcement provides for additional information, which is a summary of the underlying technical information leading to the financial outcomes for the study, including the Mineral Resources and Ore Reserves, which are based on the previously announced Hillside Extended Feasibility Study results as announced on 25 May 2015.

The Company is pleased to provide a revised announcement which includes this information.

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

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Hillside Feasibility Costing Update

Rex Minerals Ltd (Rex or the Company) is pleased to announce updated capital and operating cost estimates for its 100% owned Hillside Copper-Gold Project on the Yorke Peninsula, South Australia, following approval of the Hillside Program for Environment Protection and Rehabilitation (PEPR) by the SA Government.

Key outcomes from the Hillside Study include:

Financial

- **C1** cash cost of **US$1.38/lb** copper and All-In Sustaining Cost (AISC) of US$1.60/lb
- IRR 16.2% and $NPV_{5\%}$ of A$501M (post tax)
- Pre-production **capital cost of US$410M** (A$585M)
- **EBITDA** (annualised) of **A$152.7M**.

Operational

Over the first 12 years of production:

- Average annual processing rate of 6Mtpa
- Annual average production of **35,000t copper** and **24,000ozs gold**
- At a head grade of 0.66% copper and 0.17g/t gold.

Community

- **Employing** approximately 500-550 during construction and 430 during operations
- **Royalties** to the State of **A$170M**
- **Payroll** exceeding **A$500M**.

With the SA Government's approval of the PEPR for the Hillside Project, Rex now has a pathway to development. Rex plans to pursue all available financing options, and has engaged Grant Samuel to head a formal process, seeking expressions of interest.

Rex's Managing Director, Richard Laufmann, said: "Where in the world can you find a near-term copper-gold project with these credentials!

"Hillside remains one of Australia's largest undeveloped open pit copper Mineral Resources and contains 2Mt of copper and 1.4Moz of gold. Located not far from Ardrossan on the Yorke Peninsula – a fantastic address with access to local workforce, township, accommodation, existing infrastructure and less than two hours' drive from Adelaide. South Australia – the Copper State."

Cautionary Statements

Consideration of the Hillside Feasibility Costing Update discussed herein has been undertaken to determine the feasibility of a staged mine and copper-gold processing plant constructed adjacent to the Hillside copper-gold deposit. The Hillside Feasibility Costing Update is a costing update of the Hillside Extended Feasibility Study announced to the ASX on 25 May 2015. The Hillside Feasibility Costing Update is based on the Ore Reserve (derived from Indicated and Measured Mineral Resources). With reference to previously reported Mineral Resources and Ore Reserves, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement on 25 May 2015 and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

The production target underpinning financial forecasts included in the Hillside Feasibility Costing Update is unchanged from the EFS announced on 25 May 2015, and includes approximately 51% Measured Resources, 48.8% Indicated Resources and 0.2% Inferred Resources of tonnes.

There is a low level of geological confidence associated with Inferred Resources and there is no certainty that further exploration work will result in the determination of Indicated Resources or that the production target itself will be realised. There are no Inferred Resources included in the first ten years of the processing schedule.

The Hillside Feasibility Costing Update is based on the material assumptions outlined elsewhere in this announcement. These include assumptions about the availability of funding. While Rex considers all of the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the Hillside Feasibility Costing Update will be achieved.

To achieve the range of outcomes indicated in the Hillside Feasibility Costing Update, additional funding will likely be required. Investors should note that there is no certainty that Rex will be able to raise that amount of funding when needed. It is also possible that such funding may only be available on terms that may be dilutive to or otherwise affect the value of Rex's existing shares. It is also possible that Rex could pursue other 'value realisation' strategies such as a sale, partial sale or joint venture of the project. If it does, this could materially reduce Rex's proportionate ownership of the Project.

This announcement contains forward-looking statements. Rex has concluded it has a reasonable basis for providing the forward-looking statements included in this announcement and believes it has reasonable basis to expect it will be able to fund development of the project. However, a number of factors could cause actual results, or expectations to differ materially from the results expressed or implied in the forward-looking statements. Given the uncertainties involved, investors should not make any investment decisions based solely on the results of the Hillside Feasibility Costing Update.

Table 1: Hillside Project Sensitivity

		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 $NPV_{5\%}$	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

For more information about the Company and its projects, please visit our website 'www.rexminerals.com.au' or contact:

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Appendix 1 - Summary Study Information

Rex has undertaken a costing update to Hillside Extended Feasibility Study announced to the ASX on 25 May 2015. The following information is a summary of the Hillside Feasibility Study with the costing updates. The underlying technical information and parameters leading to the financial outcomes from the study, including the Mineral Resources and Ore Reserves have not changed from the previously announced study results as announced on 25 May 2015.

Table 2 to Table 5 summarise the key outcomes of the updated Study.

Table 2: Stage 1 Study Outcomes

Life of Mine (LOM) Key Metrics	Outcome
Project Revenue	A$4,524 million
Operating Costs	A$2,447 million
Pre-tax Project Operating Cash Flows	A$1,447 million
C1 Cash Costs (includes by-product credits)	US$1.38/lb
All in Sustaining Costs	US$1.60/lb
Pre-tax $NPV_{5\%}$	A$751 million
Post-tax $NPV_{5\%}$	A$501 million
Post-tax Internal Rate of Return (IRR)	16.2%

Table 3: Pre-Production Summary

Pre-Production Capital	
EPCM – Processing Plant & Associated Infrastructure	A$198 million
EPCM - Design & Construction	A$28 million
Mining Fleet	A$158 million
Non-EPCM Works	A$68 million
Owner's Cost (Including Land)	A$22 million
Total Owner Contingency & Growth (EPCM and Non EPCM)	A$48 million
Total Pre-Production Capital	**A$523 million**
Mine Development Operating Costs (inc. pre-strip)	A$62 million
Total Pre-Production Costs	**A$585 million (US$410 million)**

Table 4: Operating Cost Summary

Operating Cost Summary	
Strip Ratio (after initial pre-strip)	6.7:1 (waste:ore)
Average Mining Cost per tonne (LOM)	A$2.18/t
Average Mining Cost per ore tonne (LOM) (after initial pre-strip)	A$14.51/t
Processing Cost per tonne	A$10.43/t
Other Operating (G&A) Costs per tonne	A$1.92/t
Average Total Operating Costs per tonne (excl. pre-strip)	**A$26.86/t**

Table 5: Base Case Assumptions for the updated Hillside Feasibility Study

Commodity and Exchange Rate	Assumptions
Copper	US$3.00/lb
Gold	US$1,550/oz
Exchange Rate (AUD:USD)	$0.70

Study comparison 2020 versus 2015 assumptions

- Long term gold price has increased from US$1,250/oz to $1,550/oz.
- Mine opex has reduced by at least A$190M, comprising:
  - Reduction in diesel price
  - Reduction of diesel burn rates (haulage trucks) adjusted from 240 to 201 litres/hour
  - Reduction of maintenance opex based on refinement of estimation and rebuild strategies.
- Plant opex has increased by A$106M, primarily due to increased power and consumable costs.
- Pre-production capital has increased overall by A$105M:
  - Pre-production capex exchange rate reduced from $0.75 to $0.70 (AUD:USD)
  - All mining fleet capex is purchased upfront, previously 50% was lease financed
  - Processing plant capex increased by A$20M including EPCM of A$2.4M (cost and exchange rate escalation)
  - This is offset by a reduction in excavator size from 800t to 550t class (truck numbers and sizes remain the same).
- TC/RC market rate assumptions decreased from US$93 to US$60 per dry tonne of concentrate.

Construction Period and Workforce

The development allows for a 20-month construction period, including a 12-month pre-strip. During construction, a workforce of approximately 500-550 will be required. This will reduce to approximately 430 during the operational phase.

Life of Mine (LOM) – Stage 1

An initial life of 13+ years, based on the production of a copper-gold concentrate and processing ore at a rate of 6Mtpa.

Location and Infrastructure

The Hillside project is approximately 150kms from Adelaide with a workforce within reach without the need to have an onsite accommodation facility during production (Figure 1). Accommodation facilities will be provided for construction workers at a camp to be built near Ardrossan, approximately 12km away from Hillside. The camp will be built, owned and operated by a facility management company that will charge a nightly rate per person.

Most roads in the area are suitable for current uses and adequate to handle the increased traffic from the Project. A section of the Yorke Highway will be realigned. In addition, the Ardrossan – Minlaton Road runs through the mine site requiring closure with an alternative route developed. Site access will be via the unsealed Sandy Church Road to Sandilands, approximately 4km north of the mine site. The T-junction with the Yorke Highway will be upgraded and sealed. Costs for these works have been included in the capital cost estimates.

The site has access to mains power through the network grid and sea water will be used for processing and mining operations as per the license conditions. Potable water will be purchased from SA Water for the filter of concentrate and other activities that need potable water. The transport of final product will be via trucks to Port Adelaide.

Figure 1: Location diagram of the Hillside Project, Yorke Peninsula, South Australia

Permitting

The Hillside Mining Lease Proposal was approved in 2013 and resulted in the granting of the Mineral Lease (ML), an Extractive Minerals Lease (EML) and a Miscellaneous Purposes Licence (MPL) in September 2014. In addition, prior to the commencement of mining there is a requirement to obtain an approved Program for Environmental Protection and Rehabilitation (PEPR). The PEPR document details the design, engineering and management controls to be implemented to avoid or minimise the potential impacts and reduce risk, as well as providing the comprehensive monitoring program for the operation. The PEPR for the Hillside Project was approved in July 2020, with details announced by Rex on 24 July 2020.

Geology and Geological Interpretation

Hillside is an Iron-Oxide-Copper-Gold (IOCG) style deposit, of the same generation as the giant Olympic Dam polymetallic deposit and Prominent Hill copper-gold deposit. The mineralisation at Hillside forms part of a large regional alteration system. Interpretation and geochronological analysis of drill samples from Hillside suggests a genesis related to the Gawler Range Volcanic/Hiltaba volcano-plutonic event (ca. 1570-1590Ma). The Hillside ore system is built on regional N-S trending mineralizing structural channels which carried copper and gold bearing hydrothermal fluids. Copper-gold mineralisation is hosted by a sequence of intensely altered metasediments and skarns.

The geology at Hillside is categorised into the following lithologies and structural zones from west to east:

- Hangingwall Package: a relatively unaltered package of metasediments and sediments.
- Pine Point Fault (PPF): representing the western boundary of the Hillside copper and gold mineralisation, containing rubble to milled fault breccias in a north-south trending zone of 2-10 metres true thickness. It separates the hangingwall package from the skarn/metasedimentary package and is unmineralised.
- Skarn/metasedimentary package: a sequence of intensely altered metasediments and skarns belonging to the Wallaroo Group (Moonta Subdomain), which are intruded by MesoProterozoic granitoids within the main mineralised area. The intrusions comprise variable width dykes of micro granite to micro diorite (plus occasional coarser phases). The sequence is also intruded by micro-gabbro which may represent late stage Carramulka Gabbro equivalents or early sills.
- Footwall Package: a significant stock/pluton of granite which lies in the eastern sector of the deposit.

Primary copper-gold mineralisation occurs in vertical to sub-vertical magnetite and hematite rich lenses within the skarn/metasedimentary package. Secondary copper-gold mineralisation occurs within a shallow sequence of weathered basement rocks. Secondary mineralisation is found throughout the deposit at upper levels.

The dominant host rocks of the higher-grade copper-gold and iron-ore mineralisation are a number of variably altered skarns. These skarns are the wholesale altered products of folded and faulted carbonate rocks (impure limestones) which have become the favourable host rock in the area for hydrothermal fluids that have passed through and formed the deposit.

The skarns exist throughout the deposit in various states of alteration, with some lesser altered and more poorly mineralised sections found throughout the deposit.

Often in close proximity to the skarns, and close to faults or contacts with other rock units, are distinct areas of very high-grade mineralisation which are interpreted to be sections of remobilised and concentrated copper-gold-iron mineralisation. The bulk of this type of mineralisation is located close to

the western side of the deposit which is adjacent to the major regional fault (known as the Pine Point Fault). Detailed petrographic (thin sections) work has identified the progression of the mineralisation and alteration associated with the Hillside deposit. Of particular note is that the gold is closely associated with the copper mineralisation, which is also reflected in the metallurgical test work which has found that 78% of the gold reports to the copper concentrate, which is predominantly a result of the gold being attached to the chalcopyrite grains.

Primary copper mineralisation is dominated by the mineral chalcopyrite, with lesser amounts of bornite and chalcocite.

Drilling Techniques

A total of 600 diamond holes and 219 RC holes directly intersected the main mineralisation envelopes. A total of 608 diamond holes and 245 RC holes were used within and around the Mineral Resource estimate volume.

Sampling and Sub-sampling Techniques

Diamond and RC drill holes were sampled and assayed on nominal 1m intervals.

Of the 180,156m of assayed diamond core, 98.8% were sampled at 1m intervals with 1.2% of sample metres at intervals other than 1m. Of the 31,533m of assayed RC drilling, 99.96% were sampled at 1m intervals.

Diamond core is orientated along the bottom of hole and then half-core samples are taken using a diamond core saw. RC chips are sampled as 1/8th splits off the rotary cone splitter at the rig. Duplicate samples for both diamond and RC drilling are collected. Bulk density was measured using "Archimedes Principle".

Sample Analysis Method

The majority of assays for Hillside were conducted by Australian Laboratory Services (ALS) with the preparation laboratory in Adelaide and analytical laboratory in Perth. Some sample analysis from 2007 to early 2009 was conducted by Australian Mineral Development Laboratories (AMDEL), comprising only 2% of all assays.

Cu grades were determined by nitric/perchloric acid digest ICP Atomic Emission Spectrometry determination (ALS ME-ICP61 method). Au grades were determined by 30g fire assay at ALS Perth. Fe grades were determined by fused disk XRF (ME-XRF21n).

Estimation Methodology

A priority system of 22 domains was set up to account for overlapping mineralisation, intrusive rock shapes and cover sequence lithologies. The block model was constructed with parent blocks of 25mE by 25mN by 12mRL. Ordinary kriging (OK) to the parent block size was used to estimate Cu, Au, Ag, U, Fe, S, Co and Cl grades and bulk density separately. Geostatistical analysis was performed using Snowden Supervisor. Estimates were constrained within the interpreted domains. For Cu, it was determined that these domains provided a suitable basis for estimation of grade. Additionally, the Cu domains also provided a reasonable basis for estimation of Au, Ag, U, Fe, S, Co and Cl grades and bulk density.

Up to three estimation passes with increasing search neighbourhood size were run for all domains. The range of estimation passes used for the estimation of mineralised domains varied.

- 2/3rd of the variogram sill was used as a guide for Pass 1
- 100% of the variogram sill was used as a guide for Pass 2
- Twice the sill was used as a guide for Pass 3.

A minimum of 4 and maximum of 32 composites were used per estimate for Pass 1 and Pass 2 with a minimum of 2 and maximum of 32 composites used for Pass 3. An Octant based search limited composites to a maximum of 4 composites per octant. 1m assay composites were used. A small number of composites were retained with a length of less than 1m. Estimation applied composite length weighting. No high-grade top-cuts were applied within the estimate. This was based on the disintegration approach of log probability plots whereby the high-grade tail remains relatively continuous.

Classification

Mineral Resources have been classified on the basis of geological and grade continuity confidence and reflect the Competent Person's view on the deposit. Inferred Mineral Resources have an average drill hole spacing of up to 150mN by 150mRL. Indicated Mineral Resources have an average spacing of up to 50mN by 50mRL. (Some areas demonstrating strong grade continuity outside of a 50 x 50m drill hole spacing have also been considered (by the Competent Person) as appropriate to be classified as Indicated.) Measured Resources were deemed appropriate based on data acquired from an infill drilling study within the Dart and Songvaar domains. This study showed that:

- The maximum variability for Cu grade within the Dart and Songvaar infill drilling areas was -9.2% and -5.3% respectively
- The maximum variability for tonnes within the Dart and Songvaar infill drilling areas was +0.3% and -1.8% respectively.

Rex considers this variability to be relatively minor, and as such, feels that classifying these areas as Measured within the Mineral Resource Estimate is appropriate. Additionally, given Rex has demonstrated the robustness of the Mineral Resource estimates in these areas, Rex feels that in areas of similar geological complexity (low complexity with consistent strike and vertical continuity of grade), there is no need for further infill drilling before a "Measured" classification can be applied. As such, Rex has extended the Measured classification to a limited number of these areas that possess coarser (50m x 50m) spaced drill holes, and similar geological complexity.

Cut-off Grade

In reporting the Mineral Resource, a copper cut-off of 0.2% was used.

Mineral Resource

The Mineral Resource estimate at Hillside, announced on 25 May 2015, remains one of Australia's largest open pit copper Mineral Resources. The Mineral Resource, noted in Error! Reference source not found., includes information from 608 diamond holes and 245 reverse circulation (RC) holes for a total of 239,000m.

Table 6: Hillside Measured, Indicated and Inferred Mineral Resource Summary Table – May 2015

Zone	Resource Category	Tonnes (Mt)	Copper (%)	Gold (g/t)	Contained Copper (t)	Contained Gold (oz)
Oxide Copper	Measured	16	0.54	0.23	86,400	118,315
	Indicated	4	0.51	0.13	20,400	16,718
	Inferred	0.2	0.7	0.2	1,400	1,286
Secondary Sulphide	Measured	9	0.61	0.20	54,900	57,871
	Indicated	3	0.55	0.12	16,500	11,574
	Inferred	0.1	0.6	0.1	600	322
Primary Sulphide	Measured	47	0.54	0.16	253,800	241,774
	Indicated	144	0.59	0.13	849,600	601,862
	Inferred	114	0.6	0.1	684,000	366,519
Total		**337**	**0.6**	**0.14**	**1,967,600**	**1,416,240**

Copper Mineral Resources reported above 0.2% cut-off grade.

Measured and Indicated Mineral Resources are rounded to two significant figures and Inferred Mineral Resources are rounded to one significant figure.

Mining and Metallurgical Methods and Parameters

The Ore Reserve estimate was created from a detailed open pit mine design. A pit shell was selected using discounted cash flow methodology from a Max Flow open pit optimisation as a starting basis for the mine design.

Grade control was assumed to be via reverse circulation methods. A 24-hour, 7 day per week mining operation was assumed. The excavation of ore and waste via a conventional open pit mining method was assumed. Drilling and blasting on 10m benches using ANFO explosives was assumed. Load and haul with hydraulic backhoe excavators using a double benching method loading ultra-class mining trucks. The total material movement per years is approximately 60 million tonnes per annum.

The plant will process approximately 6 million tonnes of ore per annum.

The study details a minimum 13-year mine plan. Given the size and extent of the Mineral Resource at Hillside, there are many options that are available to Rex in terms of how the operation is staged. Most of these options vary depending on the commodity price assumptions.

The Costing Update referred to in this announcement is based on the Ore Reserve (derived from Indicated and Measured Resources). There exists a small proportion of oxide resource within the pit shell that has the potential to be converted to an Ore Reserve. The expectation is that this oxide copper will be converted to an Ore Reserve once further metallurgical test work is complete. The Hillside Costing Update contains a very small proportion of Inferred Resources (200kt or 0.2% of the total ore tonnes) in the mine plan.

The essential elements of the process plant design utilise conventional flotation technology to produce a copper-gold concentrate.

Mining Cut-off Grade

The cut-off grade was determined by applying a positive value Net Smelter Return (copper and gold). This is approximately the equivalent of a 0.19% Cu only cut-off.

Ore Reserve

The Ore Reserve estimate at Hillside, announced on 25 May 2015, was based on the mine design completed during the EFS. The Ore Reserve, noted in **Table 7,** stands at 82Mt @ 0.62% copper and 0.16g/t gold, equating to approximately 0.51Mt (1.12 billion pounds) of copper and 0.43Moz of gold.

Table 7: Hillside Ore Reserve – May 2015

Category	Tonnes (Mt)	Copper (%)	Gold (g/t)	Contained Copper (t)	Contained Gold (oz)
Proved	42	0.55	0.19	228,049	250,454
Probable	40	0.70	0.14	281,213	181,051
Total	**82**	**0.62**	**0.16**	**509,262**	**431,504**

Mining

The mining method was based on open pit mining, utilising hydraulic excavators and trucks for primary haulage, with drill and blast practices for rock breakage and wall control. Ramps were designed for exiting and entering the pit carrying two-way traffic, to achieve production requirements.

Open pit mining dimensions (minimum Selective Mining Unit (SMU)) are 3m x3m x5m. Mining dilution was added by creating a SMU and then adding 0.25m edge dilution. This overall gives approximately 9% dilution to the Mineral Resource.

The geotechnical slope design parameters used were based on work completed by external consultants. There are various slope configurations based on the geotechnical rock domains and location in the mine schedule. A minimum mining width of 35 metres was applied. The results from the study identified an open pit mine with a strip ratio of approximately 6.7:1 (excluding 54Mt of pre-strip in pre-production year).

The open pit is value optimised and is designed in five phases. Rock movement is scheduled to ensure adequate operating area and access to ore. The phase summary footprint is displayed in **Figure 2**.

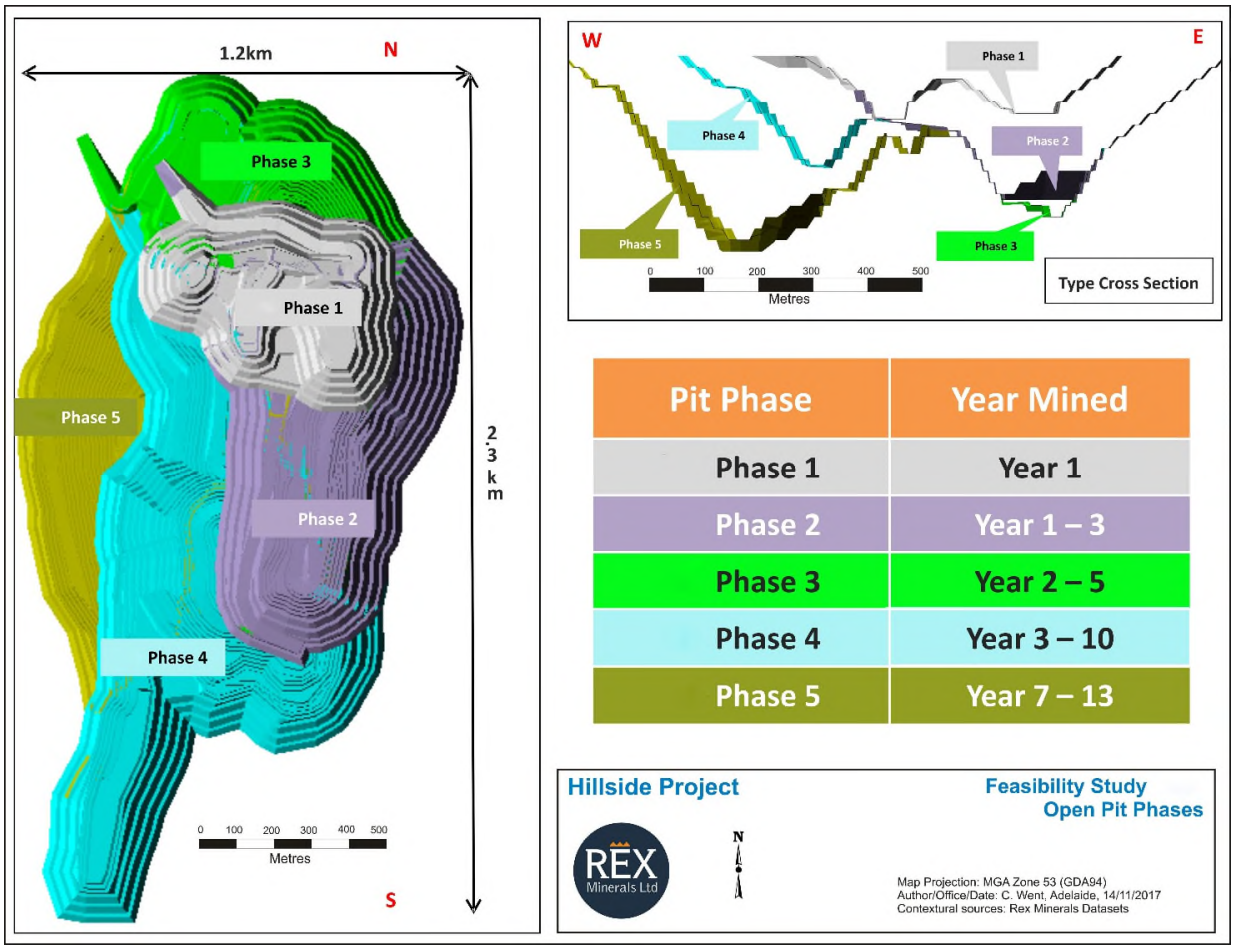

Figure 2: Hillside Feasibility Study – Open Pit Phases

After an initial pre-strip of 54Mt, the strip ratio for the operating life is 6.7:1 (waste:ore).

Peak total rock haulage is approximately 60Mtpa. Almost 90% of all material (ore and waste) will be mined with 550t hydraulic backhoe excavators, coupled with a fleet of ultra-class (296t) trucks, using the double-benching method. Narrower ore zones will be mined with 250t backhoe excavators to minimise dilution and improve ore recovery. Peak material movement is achieved with a manageable maximum of 16 trucks.

The Project has a typical support fleet which includes drills, mid-sized graders, tracked and wheel dozers, front-end loaders and water and service trucks.

Processing

The essential elements of the process plant design utilise conventional flotation technology to produce a copper-gold concentrate. Rex also commissioned a pilot plant study, carried out by Wood, to optimise the flotation process and samples were selected from representative components of the orebody that were anticipated to be fed within the first 5 years of the mine schedule.

The head grades going into the process plant for the LOM are estimated to average 0.62% copper over the LOM. Rex has shown through metallurgical test work that deleterious elements are unlikely to exist in any significance way. Rex has shown through metallurgical test work that no deleterious elements exist in concentrate.

Copper recoveries are estimated to be 92%, gold recoveries are estimated to be approximately 78%.

The processing plant has a designed throughput capacity of 6Mpta per the design flowsheet in **Figure 3** below.

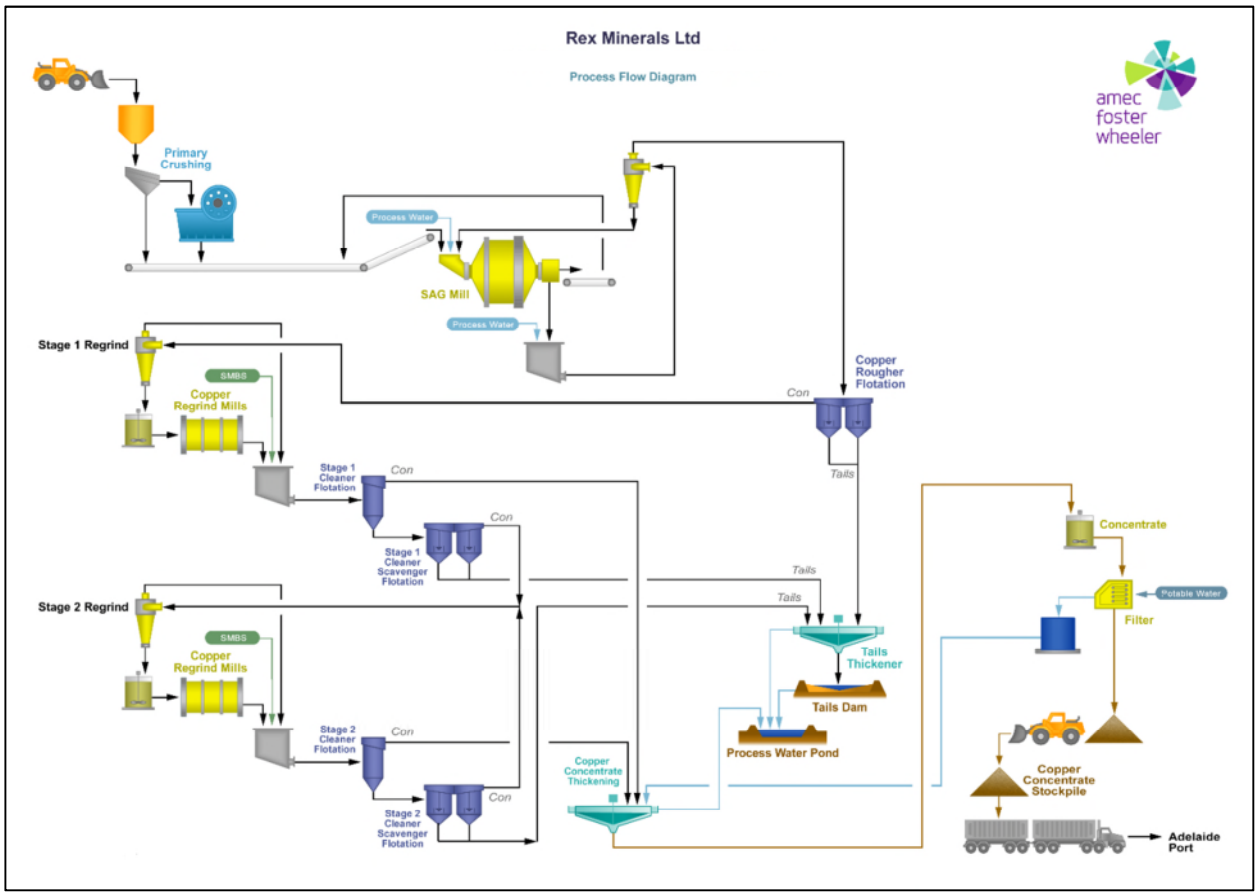

Figure 3: Schematic diagram of the proposed process plant flowsheet

It includes initial crushing and grinding before a first stage (rougher) flotation. This is followed by a fine grind and second stage (cleaner) flotation, before preparation for transport as a copper-gold concentrate.

The average copper grade of the copper concentrate is over 27% and the average annual copper concentrate produced over the first 12 years of operations is approximately 129,000t.

Compliance Statement

With reference to previously reported Mineral Resources and Ore Reserves, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement on 25 May 2015 and, in the case of estimates of Mineral Resources and Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement 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 the 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 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.

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

Forward-Looking Statements

This announcement 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.

Appendix 2 – Material Assumptions

Material assumptions used in the estimation of the production targets and associated financial information relating to the costing update discussed in this announcement are set out in the following table.

Area	Comment
Study status	The production targets and financial information in this costing update have an accuracy level of +/-20% for the plant capital and +/- 5% for the mining capital, and are subject to the cautionary statements relating to costing update parameters on page 3 of this announcement.
Cut-off factors	The cut-off grade was determined by applying a positive value Net Smelter Return (copper and gold). This is approximately the equivalent of 0.19% Cu only cut-off.

Mining factors or assumptions	• The mining method was based on open pit mining, utilising hydraulic excavators and trucks for primary haulage, with drill and blast practices for rock breakage and wall control. Ramps were designed for exiting and entering the pit carrying two-way traffic, to achieve production requirements.
	• The results from the open pit work identified an open pit mine with a total strip ratio of approximately 7.4:1 (including pre-strip) and a strip ratio of approximately 6.7:1 (excluding 54Mt of pre-strip in pre-production year) and an average mining cost per tonne of approximately A$2.18.
	• The Ore Reserve estimate was created from a detailed mine design. A pit shell was selected using discounted cash flow methodology from a Max Flow open pit optimisation as a starting basis for the mine design.
	• The geotechnical slope design parameters used were based on work completed by external consultants. There are various slope configurations based on the geotechnical rock domains and location in the mine schedule.
	• A minimum mining width of 35 metres was applied.
	• Grade control was assumed to be via reverse circulation methods.
	• A 24 hour, 7 day per week mining operation were assumed.
	• Conventional dump truck and hydraulic backhoe excavators using a double benching method were assumed.
	• Mining recovery of the Ore Reserve when compared to equivalent Mineral Resource:
	  • 99.0% Cu metal recovered.
	  • 99.8% Au metal recovered.
	  • 108.1% of ore tonnes.
	• Open pit mining dimensions (minimum SMU) are 3m x3m x5m.
	• Mining dilution was added by creating a SMU and then adding 0.25m edge dilution. This overall gives approximately 9% dilution to the resource.
	• Average mining cost of A$2.18 per LOM rock tonne moved.
	• Assumed average of 6 Million tonnes of ore processing per annum.
	• Recovery as per metallurgical results as provided to the Competent Person.
	• There is no Inferred material used in the Ore Reserve estimation.
	• Infrastructure requirements for open pit mining include; maintenance workshop for all mobile equipment, offices, crib rooms and amenities, explosive storage, fuel farm, water dams, geotechnical monitoring and de-watering systems.

Metallurgical factors or assumptions	• As part of the Hillside EFS, Rex commissioned Wood (Formerly AMEC Foster Wheeler Australia Pty Ltd) to complete the mineral processing test-work. • Extensive mineral recovery work has been carried out by Wood based on all ore types defined within the Mineral Resource at Hillside and across various

	grade ranges. This provides a comprehensive view of the average copper and gold recoveries that can be realistically achieved at Hillside. • As part of the Hillside Feasibility Costing Update, Wood also completed a revised assessment of the estimates for the capital required for construction of the processing plant. The outcome of which are noted in this announcement. • The essential elements of the process plant design utilise conventional flotation technology to produce a copper-gold concentrate. • Rex also commissioned a pilot plant study, carried out by Wood, to optimise the flotation process and samples were selected from representative components of the orebody that were anticipated to be fed within the first 5 years of the mine schedule. • The head grades going into the process plant for the LOM are estimated to average 0.62% copper over the LOM. • Rex has shown through metallurgical test work that deleterious elements are unlikely to exist in any significance way. • Rex has shown through metallurgical test work that no deleterious elements exist in concentrate. • Copper recoveries are estimated to be 92%, gold recoveries are estimated to be approximately 78%.
Environmental	The South Australian Department for Energy and Mining (DEM) implements a comprehensive permitting process, which requires the Company to provide: • full detail of the baseline environmental and social aspects; • conduct and document stakeholder consultation; • detail on the proposed mining operation from construction through to closure; • assessment of potential impacts; • detailed engineering and management controls to minimise or avoid potential impacts; and • a comprehensive monitoring regime along with actions that will be implemented should monitoring results trigger action prior to non-compliance being reached. The permitting process also involves a number of other regulatory agencies to ensure all aspects are covered and all legislative requirements are met. The primary approvals required for a mining operation to commence in South Australia are the Mining Lease Proposal, Mineral Lease, and the Program for Environmental Protection and Rehabilitation (PEPR). The Hillside Mining Lease Proposal was approved in 2013 and resulted in the granting of the Mineral Lease (ML), an Extractive Minerals Lease (EML) and a Miscellaneous Purposes Licence (MPL) in September 2014. The PEPR document details the design, engineering and management controls to be implemented to avoid or minimise the potential impacts and reduce risk, as well as providing the comprehensive monitoring program for the operation. The PEPR was approved by the DEM in July 2020 – announced on 24 July 2020.
Infrastructure and Logistics	• The Hillside project is approximately 150kms from Adelaide with a workforce within reach without the need to have an onsite accommodation facility during production. Accommodation facilities will be provided for construction workers at a camp to be built near Ardrossan, approx.12km away from Hillside. The camp will be built, owned and operated by a facility management company that will charge a nightly rate per person. • Most roads in the area are suitable for current uses and adequate to handle the increased traffic from the Project. A section of the Yorke Highway will be realigned. In addition, the Ardrossan – Minlaton Road runs through the mine site requiring closure with an alternative route developed. Site access will be via the unsealed Sandy Church Road to Sandilands, approximately 4km

	north of the mine site. The T-junction with the Yorke Highway will be upgraded and sealed. Costs for these works have been included in the capital cost estimates. • The site has access to mains power through the network grid and sea water will be used for processing and mining operations as per the license conditions. Potable water will be purchased from SA Water for the filter of concentrate and other activities that need potable water. The transport of final product will be via trucks to Port Adelaide.
Capital costs	The Hillside Feasibility Costing Update is a costing update of the Hillside EFS announced to the ASX on 25 May 2015. The capital estimate is considered to have an accuracy of +/-20% for the plant capital and +/- 5% for the mining capital. As part of the Hillside Feasibility Costing Update Rex engaged Wood to review our capital and operating costs. The Scope of Work for this request entailed: • Revise the EFS Project capital and operating costs by updating rates and equipment pricing for the process plant and infrastructure only. The scope and battery limits are to remain unchanged from previous services performed in 2014/15. • A high-level review of the project Engineering, Procurement, Construction and Management (EPCM) cost and project schedule. The Project pre-production capital estimate of A$585 M (see Table 3 in this announcement) incorporates approximately A$48 M of growth allowance and contingency for both EPCM and non-EPCM works. Mine Development Operating Costs total A$62M. This estimate is based on a detailed design and costing exercise during the study incorporating an EPCM price component and non-EPCM works. Open cut mining operations have been costed based on owner mining with 100% of the mobile equipment fleet included in capital costs. Subsequent mining fleet additions have been capitalised as sustaining capital. Sustaining capital for the operation is estimated at A$106 M, including progressive tailings lifts. Project mine rehabilitations costs are A$12.5 M completed progressively during operations and an additional A$25 M has been included at mine closure. An estimate of A$17.7 M for plant salvage and other surface infrastructure has been included. Mining capital costs are based on quotations from major suppliers of mining and ancillary equipment. • Vulcan and other mining software were used to create a mining design and schedule. Original Equipment Manufacturer (OEM) specifications for the mining fleet were used to derive cycle times to create fleet numbers. • Fuel usage and maintenance costs were estimated for the mining schedule based on; site visits to operations using the same equipment and in consultation with OEMs. The organisational structure is comparable to similar size operations in Australia. Labour rates for mining were based on surveys of similar earth moving operations on the Yorke Peninsula in South Australia.
Operating costs	The operating cost estimate for this study includes all costs associated with mining, processing, infrastructure, and site-based general and administration costs. Processing and G&A operating costs were supplied by Wood to REX and were applied to the economic input for mine design parameters and cost models. Mining operating costs were determined by Rex Minerals staff and mining consultants. The operating cost estimate is presented on an annualised basis to an accuracy of +/-15%. There has been no contingency applied to operating costs.

	The average total operating cost per tonne (excl. pre-strip) of A$26.86/t (see Table 4 in this announcement) is the summation of:
	• Average Mining Cost per ore tonne (LOM) (after pre=strip) = A$14.51/t
	• Processing Cost per tonne = A$10.43/t
	• Other Operating (G&A) Costs per tonne = A$1.92/t
	The LOM average C1 (operating) cash cost is US$1.38/lb of payable copper. This includes all site operating costs, concentrate land transport and sea freight costs, metal treatment charges and is net of revenue from by-product credits (gold). The all in sustaining costs (AISC) are US$1.60/lb of payable copper.
	Concentrate payables, treatment and refining costs are based on forecast market terms derived from a market outlook study. Key aspects are:
	• Copper:
	  • Treatment Charge of US$60/dry metric tonne concentrate.
	  • Refining Charge of US$0.060/lb of payable Cu.
	  • 96.5% payable Cu with minimum 1% deduction.
	  • No price participation charges.
	• Gold:
	  • Refining charge of US$12.50/oz of payable Au.
	  • 93% payable Au.
	There are no expected levels of impurities that would incur treatment or refining penalty charges. State royalties are payable under South Australian law and are estimated at A$178 M over the LOM.
	Total company tax payments, at a rate of 30%, are estimated to be A$413 M with the first payment expected in year 4 of concentrate production.

Revenue factors	Revenue analysis used the following commodity price and exchange rate assumptions: • Copper price used = 3.0 US$/lb. • Gold price used = 1550 US$/ounce.
Schedule and timeframe	The key milestones for delivery of the Project are: • Month 0 through Month 18 for construction • Month 19 and 20 for dry commissioning, and • Month 21 onwards for ore commissioning. It is anticipated that steady state production will be achieved after three months of ore commissioning. High level summary tasks with indicative forecast durations have been identified and linked to the key milestones to produce a Level 3 schedule. Formal project commencement is scheduled to occur in mid-Month 0 pending the financial investment decision by the Rex Board. The critical path runs directly through the grinding circuit long lead equipment, i.e. the SAG mill. The mill is currently quoted as requiring approximately 45 weeks for delivery. The earliest date that mechanical installation for the concentrator can be completed is 22 weeks after delivery of the last long lead item. A minimum of 2 weeks is required at the concentrator to complete the piping, electrical and instrumentation installation components once mechanical installation is completed, meaning the earliest (time) construction can be completed is 24 weeks after the delivery of the last piece of long lead equipment.

Market assessment	Rex has engaged and been provided with documentation on the supply demand metrics for copper and gold by AME. The forecast commodity prices took into consideration the projected supply/demand for each commodity in conjunction with broker consensus analysis. Price forecasts for the key commodities are detailed above.
Funding	To achieve the range of outcomes indicated in the Hillside Feasibility Costing Update, indicative funding in the range of A$585m or US$410m will likely be required for capital works, pre-production working capital and contingency required to construct the Hillside Project, together with costs associated with project financing. With the SA Government's approval of the PEPR for the Hillside Project, Rex now has a pathway to development. Rex plans to pursue all available financing options.
Economic parameters	A discount rate of 5% has been used for financial modelling. This number was determined to be suitable for a Feasibility Costing Update based on a project located in Australia, and it was selected after considering the discount rates used by other companies in recent feasibility study releases. The model has been run as a life of mine model and includes sustaining capital and closure costs(in real terms). Based on the current metallurgical testwork knowledge, equipment selection, process design and Hillside mine plan, the Project is anticipated to achieve the design mill feed rate after 6 months of ramp-up (i.e. after completion of wet commissioning) assuming no major equipment failures. The study outcome was tested for key financial inputs including: metal prices, operating costs, capital costs, grade and US/AU exchange rate. All of these inputs were tested for variations of +/-10%.
Exchange rates	The exchange rate for the reporting of the results from this Costing Update is A$1.00 = US$0.70.
Community and social responsibility	The Department for State Development (DSD) issued Rex ML 6438 on 16 September 2014 under the South Australian Mining Act 1971, after undergoing an extensive assessment of the environmental and social impacts and benefits of Hillside as presented in the Mining Lease Proposal (MLP) document submitted to DSD in August 2013. The MLP detailed the benefits, existing environment, mining operations, the methodology and results of consultation, potential impacts along with an outline of the control measures and a statement of the proposed outcomes expected to be met during the life of the mine; construction, operations, rehabilitation and post mine closure. This impact assessment was developed with Hillside's community reference group which was initiated in 2011, now known as the Hillside Mine Community Voice (HMCV). Public consultation was required during the development of the MLP along with a period for formal public comment. The key areas of concerns raised throughout this process were dust, noise, potential impacts on adjacent agricultural land and the marine environment and land use options post mining. The environmental management plans, closure plan and social management plans, which include the complaints register and resolution process, local employment plan and local business development plan, have all been developed in consultation with the HMCV and other stakeholders such as the local council, government bodies and other representative groups. This process is encompassed in an overarching plan known as Rex's 'Community Engagement Plan' (CEP) which was approved by DSD on 12 June 2015. The CEP is a document that clearly identifies the community and outlines the framework

	for how Rex will engage with the community during all stages of the development of Hillside. This proactive approach reflects Rex's Community Engagement Policy statement and has enabled Rex to draw on local knowledge held by the community and other stakeholders to identify and address issues of concern and to optimise the benefits of the Project to the region and its community. The benefits that will be associated with the development of the Project will include significant increase to the regional economy, a diversification of its current agricultural and tourism industry base, increased employment opportunities and associated stimulus for population growth. There has been an overwhelming support for the employment outcomes Hillside will bring and associated flow on effect to many businesses in the region and state. To date there have been over 1900 expressions of interest (EOI's) for employment at Hillside with over 500 of the EOI's deriving from within one hour's drive of the site. It is therefore anticipated that there will be a sufficient workforce and that this workforce will be derived from the local pool, those choosing to move to the region for work and those who may want to commute from further afield including Adelaide. The social infrastructure within the primary and regional study areas have sufficient capacity to cater for the increased workforce. It is assumed that there would be various accommodation options available for the workforce including existing residences for local employees and new accommodation developments for purchase or rent. In addition, current limits for growth on the Yorke Peninsula include water and power supply. The Project will result in significant benefit to the region and result in an increase in water and power supply. As a part of the open dialogue between Rex and stakeholders, impact assessments have been presented and published on all key issues such as contamination to surface water, groundwater, soil and air quality from acid mine drainage, uranium, fibrous materials along with social impact assessments regarding housing, employment and traffic. A Native Title Claim has been lodged covering the entire Yorke Peninsula; however, no Native Title agreements are required in relation to the ML or EML. Evidence of Indigenous cultural heritage is widespread throughout the region and within the vicinity of the proposed Hillside mine area. Surveys within the Hillside area have identified remnants of occupation-sites however these do not represent intact sites. No non-Indigenous cultural heritage sites exist within the Hillside area.
Other	There are several other material risks to this project including product price, competition, social license, scheduling and other risks typical of projects of similar scale.
Classification	Mineral Resources have been converted to Ore Reserves as per JORC 2012 guidelines.
Audits or reviews	An audit and review of sampling techniques, data collection, modelling parameters, geostatistical evaluation, block grade creation and grade estimation for Hillside was undertaken by AMC Consultants Pty Ltd in May 2013, building on previous progressive audits. No matters were noted that would impair the validity of the June 2013 Mineral Resource estimate. The Mineral Resource estimate announced 25 May 2015 is unchanged from this point other than the inclusion of assay results from 19 infill diamond holes and a subsequent minor re-interpretation of the ore and waste domains.

Appendix 3 – Assessment and Reporting Criteria Table Mineral Resource – JORC 2012

The following table provides a summary of important criteria related to the assessment and reporting of the Hillside Mineral Resource.

Section 1 – Sampling Techniques and Data

Criteria	Commentary
Sampling Techniques	• Diamond and RC drill holes were sampled and assayed on nominal 1m intervals. • Of the 180,156m of assayed diamond core, 98.8% were sampled at 1m intervals with 1.2% of sample metres at intervals other than 1m. Of the 31,533m of assayed RC drilling, 99.96% were sampled at 1m intervals. • The majority of assays for Hillside were conducted by Australian Laboratory Services (ALS) with the preparation laboratory in Adelaide and analytical laboratory in Perth. Some sample analysis from 2007 to early 2009 was conducted by Australian Mineral Development Laboratories (AMDEL), comprising only 2% of all assays. • Cu grades were determined by nitric/perchloric acid digest ICP Atomic Emission Spectrometry determination (ALS ME-ICP61 method). Au grades were determined by 30g fire assay at ALS Perth. Fe grades were determined by fused disk XRF (ME-XRF21n).
Drilling techniques	• Diamond (HQ3 and NQ2) standard and triple tube drilling and reverse circulation (RC) drilling was used for geological interpretation.
Drill sample recovery	• Diamond core recovery was good with an average of 96.9% recovered throughout the deposit. • To maximise diamond core sample recovery, 1.5m triple tube drilling was undertaken where possible. • Control diamond drilling was implemented on occasions where sample recovery had the potential to be compromised. • There is no observed correlation between diamond core recovery and copper, gold and iron assays at Hillside. Accordingly, there is no apparent bias in the assay grades for samples in drill run lengths less than 2m. • It was identified that the quality of some of the RC samples may have been compromised as a result of poor sampling techniques. • To overcome this potential bias, the inclusion of additional diamond holes were completed and drilled in areas of high RC coverage. This additional drilling was included in the Mineral Resource to increase the ratio of diamond holes in areas of predominantly RC drilling and hence remove any potential bias created from poor RC sample quality. • There is no observed correlation between sample weights (recovery) and copper, gold and iron assays at Hillside.
Logging	• Prior to December 2011, core was logged into an Excel spreadsheet logging system with drop down list pick fields. • Post December 2011, core was logged into proprietary software developed by Rex with drop down list pick fields. • Logging of geology (lithology and alteration), mineralisation, veining, structure and geotechnical parameters was undertaken as routine data collection at Hillside. • Every metre (100%) of drilling at Hillside has been logged as per the logging criteria above.

Criteria	Commentary
	• Core was photographed prior to being logged by the geologist. • All core is stored at the Hillside core shed.
Sub-sampling techniques and sample preparation	• Diamond core is orientated along the bottom of hole and then half-core samples are taken using a diamond core saw. • RC chips are sampled as 1/8th splits off the rotary cone splitter at the rig. • Duplicate samples for both diamond and RC drilling are collected. • Bulk density was measured using "Archimedes Principle".
Quality of assay data and laboratory tests	• The sample is dried to a core temperature of approximately 100^{o}C. The total sample is jaw crushed followed by method PUL-21 where the entire sample is pulverised to better than 85% of the sample passing 75 µm. • Cu grades were determined by nitric/perchloric acid digest ICP Atomic Emission Spectrometry determination (ALS ME-ICP61 method). • Au grades were determined by 30g Fire Assay (at ALS Perth). • Fe grades were determined by fused disk XRF (ME-XRF21n). • Assay data quality was determined through submission of client (Rex) and laboratory standards, blanks and duplicates which were inserted at a nominal rate of 1 each per 25 drill samples. • Acceptable levels of accuracy (lack of bias) have been established with the following results from the Hillside QAQC program: o Maximum % bias for Cu field standards of +3.7% to -3.7%. o Only 1.2% of coarse blanks had elevated Cu (>250ppm). Select re-assays of ¼ core have demonstrated minimal variability suggesting acceptable laboratory procedures. o Field and laboratory duplicates for Cu displayed acceptable levels of variability with absolute mean paired differences (AMPD) of between 80% and 95%. • A detailed QAQC report is contained as an Appendix within Rex's internal Mineral Resource report. The QAQC report was based on assays up to hole HDD-564.
Verification of sampling and assaying	• Umpire laboratory checks (of which a number contain significant intercepts) were completed during 2011, 2012 and 2013 and no issues were identified that would prevent the classification of the Cu and Au Mineral Resources. • A total of 31 pairs of twinned holes were drilled at Hillside and their results are detailed in Rex's internal Mineral Resource Estimate report.
Location of Data points	• All drill holes were surveyed and recorded in the Rex SQL database. • All drill-holes have magnetic down-hole surveys taken at approximate 24m intervals using a single shot down-hole survey instrument. An azimuth adjustment of +8 degrees was applied for the conversion to MGA Zone 53 (GDA 94) for all magnetic surveys. • In addition to the magnetic down-hole surveys, 516 diamond holes (84% of drilled metres) and 178 RC holes (74% of drilled metres) were surveyed using a Reflex gyro or North Seeking Gyro. • Priorities are set within the database as to which survey is used in defining drill hole traces.

Criteria	Commentary
	• Down hole surveys were checked mathematically and visually for excessive deviation or unlikely hole traces. No obvious problems were identified. • 98% of drill hole collar coordinates were surveyed in MGA94_53 using a Differential Global Positioning System (DGPS). The remaining 2% were surveyed in MGA94_53 using handheld GPS. A surface digital terrain model created from a detailed gravity survey was used as an elevation reference for all drill holes and as verification for the elevation readings from the DGPS and GPS.
Data spacing and distribution	• No exploration results were reported in this statement. • Drilling has been completed on nominal east-west 50m – 100m sections, with some nominal east-west "infill" 25m spaced sections. • A total of 600 diamond holes and 219 RC holes directly intersected the main mineralisation envelopes. A total of 608 diamond holes and 245 RC holes were used within and around the Mineral Resource estimate volume. • Approximately 51% of the diamond drilling was angled at approximately 60º to 70º to the west, 36% of drilling was angled at approximately 60º to 70º to the east and 13% of drilling was angled at approximately 60º to 70º to the north or south or oblique to east west sections • Approximately 70% of the RC drilling was angled at approximately 60º to 70º to the west, 25% of drilling was angled at approximately 60º to 70º to the east and 5% of drilling was angled at approximately 60º to 70º to the north or south or were vertical holes for water bore drilling. • Drilling is predominantly concentrated between 6173100N and 6175700N and between 60RL and -650RL. • 1m assay composites were used. A small number of composites were retained with a length of less than 1m.
Orientation of data in relation to geological structure	• The majority of drilling has been completed on nominal east-west sections which intersect the strike of the orebody. • A total of 60 holes have been drilled on north – south sections intersecting the strike of the Leprena domain and to check for bias in the geological interpretation and orebody continuity. • There is no expected bias due to the orientation of drilling and the continuity of the orebody along strike. • The drill hole intersection angle is between 60 and 75 degrees through the 5 main mineralised structures. (Dart, Zanoni, Parsee, Omero and Songvaar).
Sample Security	• Monitoring of sample dispatch is undertaken for samples sent from site and to confirm that samples have arrived in their entirety and intact at their destination. • A sample dispatch form (SDA) is created from the Rex SQL database for each drill hole dispatched. If the total number of samples in a dispatch is greater than 500, the lab will split the samples into two work orders. • Dispatch sheets are clearly completed and supplied to the lab either with the physical samples or via e-mail prior to the samples arriving. • Upon receiving receipts, the lab assigns a barcode to each sample and this ensures that each sample is tracked as it makes its way through sample prep and analytical. • Upon receipt of results back to Rex, sample ID's per SDA can be verified and checked against the lab results.

Criteria	Commentary
Audits or Reviews	• Internal lab audits conducted by Rex have shown no material issues. • Sampling and data protocols have been externally audited by AMC with no matters that were serious or were likely to impair the validity of the Mineral Resource estimate.

Section 2 – Reporting of Exploration Results

Criteria	Commentary
Mineral tenement and land tenure	• The Hillside project is 100% owned by Rex Minerals. • The Hillside project is located within Exploration Licence, EL6245. (Previously EL5055.) • Rex has been granted a Mining Lease over the Hillside project. The Mining Lease number is ML6438.
Exploration done by other parties	• Rex Minerals has held EL6245 since 2007. Prior to 2007, limited exploration was completed by other parties with only a small amount of geochemical sampling results obtained by the company. Importantly, this geochemical data was spread throughout EL6245 with no information directly associated with Hillside. • No drilling of any kind was completed over the Hillside target prior to Rex's involvement. • There is a historic copper mine at the northern end of the Hillside ore body. This was noted by previous explorers but never followed up in detail.
Drill hole Information	• No new exploration results have been reported in this release, and thus, this section is not material to this report on Mineral Resources and Ore Reserves. • Notes relating to the drill hole information relevant to the Mineral Resource estimate are noted in Section 1 - Sampling Techniques and Data. • Notes relating to the geology and interpretation are noted in Section 3 - Estimating and Reporting of Mineral Resources.
Data aggregation methods	• No weighting average techniques or grade truncations have been reported in this release, and thus, this section is not material to this report on Mineral Resources and Ore Reserves. • In reporting the Mineral Resource, a copper cut-off of 0.2% was used. • Copper equivalent values have not been reported.
Relationship between mineralisation widths and intercept lengths	• No exploration results have been reported in this release, and thus, this section is not material to this report on Mineral Resources and Ore Reserves.
Diagrams	• Diagrams that are relevant to this release have been included in the body of the release.
Balanced reporting	• No exploration results have been reported in this release, and thus, this section is not material to this report on Mineral Resources and Ore Reserves.
Other substantive	• No exploration results have been reported in this release, and thus, this section is not material to this report on Mineral

Criteria	Commentary
exploration data	Resources and Ore Reserves.
Further Work	• No exploration results have been reported in this release, and thus, this section is not material to this report on Mineral Resources and Ore Reserves.

Section 3 - Estimating and Reporting of Mineral Resources

Criteria	Commentary
Database integrity	• The Hillside database is a SQL system. • Prior to December 2011, core was logged into an Excel spreadsheet logging system with drop down list pick fields. • Post December 2011, core was logged into proprietary software developed by Rex with drop down list pick fields. • Different user profiles and security exists to minimise the possibility of data modification. • Logging is completed on portable computers. • Validation checks are written into the SQL database and these are activated via database and user triggers to ensure the data is correct with respect to fundamental quality issues.
Site Visits	• The Competent Person has been intimately involved in the project from its early stages and has visited site on average every 1-2 weeks from 2009 to 2013 and on average once a month from 2014 to the present.
Geological interpretation	• Confidence in the geological interpretation is high at a broad scale, whilst (as can be expected) confidence at a local scale (<10m) is lower owing to the inherent geological variability of the orebody at close spacing's. • Grade continuity along strike and at depth is high with local variability shown to be + or – 10% or less from infill drilling. • At deposit scale, the grade continuity is very high with variability isolated to changes in lithology. • Confidence in the interpretation between northings 6173300N and 6175200N is higher than confidence in the interpretation outside of these zones. • Confidence decreases with depth owing to the coarser spacing of drill holes. • The influence of structure on the geological interpretation is well understood, with a structural model being incorporated within the interpretation process. • The ore body remains open to the north, south and at depth. • No outcrop exists to verify interpretation. • The geological interpretation was based on diamond and to a lesser extent RC drill holes. • The mineralisation at Hillside forms part of a large regional alteration system. Interpretation and geochronological analysis of drill samples from Hillside suggests a genesis related to the Gawler Range Volcanic / Hiltaba volcano-plutonic event (ca. 1570-1590Ma).

Criteria	Commentary
	• The Hillside ore system is built on regional N-S trending mineralizing structural channels which carried copper and gold bearing hydrothermal fluids. Copper-gold mineralisation is hosted by a sequence of intensely altered metasediments and skarns. • The geology at Hillside is categorised into the following lithologies and structural zones from west to east: o Hangingwall Package: a relatively unaltered package of metasediments and sediments. o Pine Point Fault (PPF): representing the western boundary of the Hillside copper and gold mineralisation, containing rubble to milled fault breccias in a north-south trending zone of 2-10 metres true thickness. It separates the hangingwall package from the skarn/metasedimentary package and is unmineralised. o Skarn/metasedimentary package: a sequence of intensely altered metasediments and skarns belonging to the Wallaroo Group (Moonta Subdomain), which are intruded by MesoProterozoic granitoids within the main mineralised area. The intrusions comprise variable width dykes of micro granite to micro diorite (plus occasional coarser phases). The sequence is also intruded by micro-gabbro which may represent late stage Carramulka Gabbro equivalents or early sills. o Footwall Package: a significant stock/pluton of granite which lies in the eastern sector of the deposit. • Alternative interpretations were explored early in the life of the Project however the consistency of grade along strike and at depth has removed the plausible nature of any alternative broad-scale interpretation. • Local scale interpretation (<10m) may vary slightly with closer spaced (grade control) drilling however this is not expected to materially affect the estimate. • Primary copper-gold mineralisation occurs in vertical to sub-vertical magnetite and hematite rich lenses within the skarn/metasedimentary package. • Secondary copper-gold mineralisation occurs within a shallow sequence of weathered basement rocks. Secondary mineralisation is found throughout the deposit at upper levels. • The dominant host rocks of the higher grade copper-gold and iron-ore mineralisation are a number of variably altered skarns. These skarns are the wholesale altered products of folded and faulted carbonate rocks (impure limestones) which have become the favourable host rock in the area for hydrothermal fluids that have passed through and formed the deposit. • The skarns exist throughout the deposit in various states of alteration, with some lesser altered and more poorly mineralised sections found throughout the deposit. • Often in close proximity to the skarns, and close to faults or contacts with other rock units, are distinct areas of very high grade mineralisation which are interpreted to be sections of remobilised and concentrated copper-gold-iron mineralisation. The bulk of this type of mineralisation is located close to the western side of the deposit which is adjacent to the major regional fault (known as the Pine Point Fault). • Some of these structures represent locations of brecciation and repeated mobilisation within a broad fault zone. • Detailed petrographic (thin sections) work has identified the progression of the mineralisation and alteration associated with the Hillside deposit. Of particular note is that the gold is closely associated with the copper mineralisation, which is

Criteria	Commentary
	also reflected in the metallurgical test work which has found that 78% of the gold reports to the copper concentrate, which is predominantly a result of the gold being attached to the chalcopyrite grains. • Primary copper mineralisation is dominated by the mineral chalcopyrite, with lesser amounts of bornite and chalcocite. • Where present, bornite & chalcocite are observed as an early and syn-alteration phase. There is growing evidence of an outer shell of primary bornite + chalcocite enclosing the chalcopyrite-rich "core". Increases in Cu:S ratios have been noted at the margins of the orebody. • Work is continuing in an effort to delineate bornite-rich or bornite (± chalcocite) only domains within and abutting the deposit.
Hillside Dimensions	• Primary mineralisation zones within the Hillside deposit are sub-parallel to the lithostratigraphic architecture. • Primary Hillside mineralisation strikes approximately north-south and has variable steep dips (70 to 80 degrees) to the west and occasionally east. Leprena mineralisation strikes approximately east-west and dips (60 – 70 degrees) to the north. • Secondary mineralisation strikes approximately north-south and tends to be steeply dipping immediately above primary mineralisation and in zones grading to flat lying to shallow dipping dispersion zones (on average 10 to 30 degrees). • Mineralisation has so far been observed from 6173130N to 6175500N, 763150E to 764000E and 60RL to -710RL. Approximately 90% - 95% of the total target size (at surface) has been tested and the deposit remains open towards the north and south and at depth.
Estimation and Modelling Techniques	• Polygons and hence triangulations are based on interpretations completed on 50m - 100m northing sections. • Triangulated interpretations have been domained into the following constrained bodies based on lithology, grade and structure: o 400 (Dart) o 500 (Zanoni) o 700 (Parsee) o 750 (Omero) o 800 (Songvaar) o 850 (Leprena) o 930 (Primary Gold only) o 940 (Secondary Gold only) o 950 (Supergene Cu) • In addition to these mineralised domains, lithological domains, (+/- Cu/Au mineralisation), have also been constructed. These include: o Hangingwall lithologies o Footwall lithologies o Pine Point Fault o Barren zones within mineralised domains

Criteria	Commentary
	o Base of Saprolite o Base of Oxidation o Base of Transition o Cover Sequence • A priority system of 22 domains was set up to account for overlapping mineralisation, intrusive rock shapes and cover sequence lithologies. • The block model was constructed with parent blocks of 25mE by 25mN by 12mRL. • Ordinary kriging (OK) to the parent block size was used to estimate Cu, Au, Ag, U, Fe, S, Co and Cl grades and bulk density separately. • Geostatistical analysis was performed using Snowden Supervisor. • Estimates were constrained within the interpreted domains. • For Cu, it was determined that these domains provided a suitable basis for estimation of grade. Additionally, the Cu domains also provided a reasonable basis for estimation of Au, Ag, U, Fe, S, Co and Cl grades and bulk density. • Up to three estimation passes with increasing search neighbourhood size were run for all domains. The range of estimation passes used for the estimation of mineralised domains varied. o 2/3rd of the variogram sill was used as a guide for Pass 1 o 100% of the variogram sill was used as a guide for Pass 2 o Twice the sill was used as a guide for Pass 3 • A minimum of 4 and maximum of 32 composites were used per estimate for Pass 1 and Pass 2 with a minimum of 2 and maximum of 32 composites used for Pass 3. • An Octant based search limited composites to a maximum of 4 composites per octant. • 1m assay composites were used. A small number of composites were retained with a length of less than 1m. • Estimation applied composite length weighting. • An Inverse Distance (ID) block model was run as a comparison check to the Ordinary Kriged (OK) July 12 block model. This comparison was satisfactory. • The current assumption is that revenue will be obtained from Cu and Au. The EFS has shown that the economic recovery of Cu and Au from Hillside is achievable. • Estimation of potential acid forming (PAF), non-acid forming (NAF) and acid consuming (ACM) rock has been completed and coded into the blockmodel. This estimation is based on test work completed as part of the EFS. • Block size used is 25x25x12 meters. The average drill hole spacing is 50m. Search distances and orientations are based on the variogram models for each element. • No assumptions have been made with regards to SMU for the resource modelling as the block dimensions are considered reasonable for the data spacing to date. • A strong correlation exists between Cu and Au, whilst to a lesser extent, a correlation exists between Cu and Fe.

Criteria	Commentary
	• Lithological, structural and grade interpretation was used as a guide in building mineralised domains. • No high grade top-cuts were applied within the estimate. This was based on the disintegration approach of log probability plots whereby the high grade tail remains relatively continuous. • Validation of the estimate was completed by visual inspection in 3D. Checks included that; all blocks were populated, block grades matched composite grades and there was no leakage of grade into adjacent areas. • Swath plots were generated per domain along all eastings, northings and RL's and block grade compared favourably with composite grade.
Moisture	• Tonnes have been estimated on a dry basis.
Cut-off parameters	• Copper Mineral Resources have been reported above a 0.2% Cu block grade cut-off. Within the Mineral Resource there is a sufficient volume of material above a 0.2% Cu cut-off to support an open pit mine.
Mining factors or assumptions	• The study has shown that the Hillside deposit will likely be mined by open pit mining methods. Rex's announced study details a minimum 13 year mine plan. • Open pit mining dimensions (minimum SMU) are 3m x3m x5m. • Mining dilution was added by creating a SMU and then adding 0.25m edge dilution. This overall gives approximately 9% dilution to the resource. • Open Pit Mining Options o Given the size and extent of the Mineral Resource at Hillside, there are many options that are available to Rex in terms of how the operation is staged. Most of these options vary depending on the commodity price assumptions. o The results from the open pit work identified an open pit mine with a total strip ratio of approximately 7.4:1 (including pre-strip) and a strip ratio of approximately 6.7:1 (excluding 54Mt of pre-strip in pre-production year) and an average mining cost per tonne of approximately A$2.18. o The Costing Update referred to in this announcement is based on the Ore Reserve (derived from Indicated and Measured Resources). There exists a small proportion of oxide resource within the pit shell that has the potential to be converted to an Ore Reserve. The expectation is that this oxide copper will be converted to an Ore Reserve once further metallurgical test work is complete. The Hillside Costing Update contains a very small proportion of Inferred Resources (200kt or 0.2% of the total ore tonnes) in the mine plan.
Metallurgical factors or assumptions	• The essential elements of the process plant design utilise conventional flotation technology to produce a copper-gold concentrate. • The head grades going into the process plant for the Life of Mine (LOM) are estimated to average 0.62% copper. • Copper recoveries are estimated to be 92%, gold recoveries are estimated to be approximately 78%.
Environmental factors or assumptions	• Waste dumps and tailings storage facilities have been designed and planned to minimise the environmental impact. Encasement of any potential acid forming material has been factored into the dumping sequence. • A comprehensive program of surface and groundwater monitoring has been undertaken as is detailed in Rex's Mining

Criteria	Commentary
	Lease proposal to the South Australian government. • A comprehensive flora and fauna study was also undertaken as is detailed in Rex's Mining Lease proposal to the South Australian government. • A community consultation program has been in place for the life of the Hillside project. • The Mining Lease Proposal (MLP) was approved in September 2014 by the relevant government department. • The PEPR was approved by the DEM in July 2020.
Bulk density	• Approximately 75% of all sampled diamond core has been measured for density. • The method used the entire air-dried core sample weighed in air and water, which was used to estimate the density. • Regular daily check bulk density measurements were completed as part of the data collection protocols. • Ordinary kriging (OK) to the parent block size was used to estimate bulk density. Where blocks were not estimated for bulk density, the average density for the domain was assigned.
Classification	• Mineral Resources have been classified on the basis of geological and grade continuity confidence and reflect the Competent Person's view on the deposit. • Inferred Mineral Resources have an average drill hole spacing of up to 150mN by 150mRL. • Indicated Mineral Resources have an average spacing of up to 50mN by 50mRL. (Some areas demonstrating strong grade continuity outside of a 50 x 50m drill hole spacing have also been considered (by the Competent Person) as appropriate to be classified as Indicated.) • Measured Resources were deemed appropriate based on data acquired from an infill drilling study within the Dart and Songvaar domains. This study showed that; o The maximum variability for Cu grade within the Dart and Songvaar infill drilling areas was -9.2% and -5.3% respectively; o The maximum variability for tonnes within the Dart and Songvaar infill drilling areas was +0.3% and -1.8% respectively; • Rex considers this variability to be relatively minor, and as such, feels that classifying these areas as Measured within the Mineral Resource Estimate is appropriate. Additionally, given Rex has demonstrated the robustness of the Mineral Resource estimates in these areas, Rex feels that in areas of similar geological complexity (low complexity with consistent strike and vertical continuity of grade), there is no need for further infill drilling before a "Measured" classification can be applied. As such, Rex has extended the Measured classification to a limited number of these areas that possess coarser (50m x 50m) spaced drill holes, and similar geological complexity.
Audits or Reviews	• An audit and review of sampling techniques, data collection, modelling parameters, geostatistical evaluation, block grade creation and grade estimation for Hillside was undertaken by AMC Consultants Pty Ltd in May 2013, building on previous progressive audits. No matters were noted that would impair the validity of the June 2013 Mineral Resource estimate. The Mineral Resource estimate noted herein is unchanged other than the inclusion of assay results from 19 infill diamond holes and a subsequent minor re-interpretation of the ore and waste domains.

Criteria	Commentary
Discussion or relative accuracy/confidence	• In 2013, Rex commissioned an assessment of the robustness of the June 2013 Resource estimate. Although this study was completed on the June 2013 Mineral Resource estimate, it is the competent persons view that no material changes have occurred between the June 2013 estimate and the estimate used in the EFS (and hence within this announcement), and hence, the study is still valid and worth noting. The study was completed by CS-2 Pty Ltd and MGen Pty Ltd and revealed: o The additional infill-drilling data did not materially change the Cu estimates, specifically the: ▪ Interpretations have changed locally as would be expected, but there has been no significant change to the underlying interpretation; and ▪ Grade-tonnage relationships and mean grades above the likely operating cut-off grades are stable. o A recoverable resources approach suggests that the current Rex model in the infill drilled areas for: ▪ Dart is a good representation of the grade-tonnage that will be realised at the proposed SMU; and ▪ Songvaar is likely to slightly underestimate the mean grade, but slightly overestimate the tonnage, that will be realised at the proposed SMU. o The observed differences in the various estimates undertaken are commensurate with a classification as Measured resources (JORC 2012) subject to there being no issues with: ▪ Data quality; and the ▪ Reasonable prospects test; o The infill-drilled areas are reasonably representative of the remainder of the domains; • As such the level of confidence that many of the resources not informed by the infill-drilling could meet Measured status is present. Once again subject to satisfying data quality and reasonable prospects issues.

Appendix 4 – Assessment and Reporting Criteria Table Ore Reserves – JORC 2012

The following table provides a summary of important criteria related to the assessment and reporting of the Hillside Ore Reserve.

Section 4 – Estimation and Reporting of Ore Reserves

Criteria	Commentary
Mineral Resource estimate for conversion to Ore Reserves	• The Mineral Resource estimate used as a basis for the conversion to an Ore Reserve is detailed in this announcement. • The Mineral Resources are reported inclusive of the Ore Reserves.
Site Visits	• Site visits have been completed by the Ore Reserve Competent Person in order to ensure the data used for the study matches the field observations.
Study Status	• Rex has advanced the Project to now be in a position to pursue all available financing options • As part of the study, a mine plan was developed that was technically achievable and economically viable. This mine plan considered Modifying Factors such as mining, processing, metallurgy, infrastructure, economic, marketing, legal, environmental, social and governmental.
Cut-off parameters	• The cut-off grade was determined by applying a positive value Net Smelter Return (copper and gold). This is approximately the equivalent of 0.19% Cu only cut-off.
Mining factors or assumptions	• The mining method was based on open pit mining, utilising hydraulic excavators and trucks for primary haulage, with drill and blast practices for rock breakage and wall control. Ramps were designed for exiting and entering the pit carrying two-way traffic, to achieve production requirements. • The Ore Reserve estimate was created from a detailed mine design. A pit shell was selected using discounted cash flow methodology from a Max Flow open pit optimisation as a starting basis for the mine design. • The geotechnical slope design parameters used were based on work completed by external consultants. There are various slope configurations based on the geotechnical rock domains and location in the mine schedule. • A minimum mining width of 35 metres was applied. • Grade control was assumed to be via reverse circulation methods. • 24/7 mining operations assumed. • Conventional dump truck and hydraulic backhoe excavators using a double benching method were assumed. • Mining recovery of the Ore Reserve when compared to equivalent Mineral Resource: o 99.0% Cu metal recovered.

Criteria	Commentary
	○ 99.8% Au metal recovered. ○ 108.1% of ore tonnes. • Mining dilution calculated to be approximately 9%. • Copper price used = 3.0 US$/lb. • Gold price used = 1550 US$/ounce. • The exchange rate used in the study was A$1.00 : US$0.70. • Mining cost of A$2.18 per LOM rock tonne moved. • Processing cost (excluding G&A) of A$10.43 per tonne of ore. • G&A cost of A$1.92 per tonne of ore. • Assumed average of 6 Million tonnes of ore processing per annum. • Recovery as per metallurgical results as provided to the Competent Person. • There is no Inferred material used in the Ore Reserve estimation. • Infrastructure requirements for open pit mining include; maintenance workshop for all mobile equipment, offices, crib rooms and amenities, explosive storage, fuel farm, water dams, geotechnical monitoring and de-watering systems.
Metallurgical factors or assumptions	• As part of the Hillside EFS, Rex commissioned Wood (Formerly AMEC Foster Wheeler Australia Pty Ltd) to complete the mineral processing test-work. • Extensive mineral recovery work has been carried out by Wood based on all ore types defined within the Mineral Resource at Hillside and across various grade ranges. This provides a comprehensive view of the average copper and gold recoveries that can be realistically achieved at Hillside. • As part of the Hillside Feasibility Costing Update, Wood also completed a revised assessment of the estimates for the capital required for construction of the processing plant. The outcome of which are noted in this announcement. • The essential elements of the process plant design utilise conventional flotation technology to produce a copper-gold concentrate. • Rex also commissioned a pilot plant study, carried out by Wood, to optimise the flotation process and samples were selected from representative components of the orebody that were anticipated to be fed within the first 5 years of the mine schedule. • The head grades going into the process plant for the LOM are estimated to average 0.62% copper over the LOM. • Rex has shown through metallurgical test work that deleterious elements are unlikely to exist in any significance way. • Rex has shown through metallurgical test work that no deleterious elements exist in concentrate. • Copper recoveries are estimated to be 92%, gold recoveries are estimated to be approximately 78%.
Environmental	• Waste Rock Dump designs take into consideration any Potential Acid Forming Material (PAF) and are designed to meet the license requirements. Designs take into consideration stability and erosion measures and will be rehabilitated as per the license requirements. The Mining Lease Application (MLA) was approved in September 2014 by the relevant government department and all design parameters are in accordance with the submitted application.

Criteria	Commentary
	• Hydrology studies were completed for both surface and ground water flows, with no significant impact on the proposed mining operations.
Infrastructure	• The Hillside project is approximately 150kms from Adelaide with a workforce within reach without the need to have an onsite accommodation facility. The site has access to mains power through the network grid and sea water will be used for processing and mining operations as per the license conditions. Potable water will be purchased from the SA Water for the filter of concentrate and other activities that need potable water. The transport of final product will be via trucks to Port Adelaide.
Costs	• Capital and Operating Costs are discussed in detail in this announcement.
Revenue Factors	• Assumptions are in line with those disclosed in this release. • Smelter payables and TC's are as noted in this announcement. • The derivation of assumptions made on commodity prices was conservatively based on consensus forecasts.
Market Assessment	• Rex has engaged and been provided with documentation on the supply demand metrics for copper and gold by AME. • The forecast commodity prices took into consideration the projected supply/demand for each commodity in conjunction with broker consensus analysis. • Price forecasts for the key commodities are detailed in the "Mining factors or assumptions" section above.
Economic	• A discount rate of 5% has been used for financial modelling. This number was selected as a generic cost of capital and is considered as a prudent and suitable discount rate for funding of a copper-gold project in Australia. The model has been run as a LOM model and includes sustaining capital costs. • A discount rate of 5% has been used for financial modelling. This number was determined to be prudent and suitable for a Feasibility Costing Update based on a project located in Australia, and it was selected after considering the discount rates used by other companies in recent feasibility study releases. It is selected as a generic cost of capital and considered a prudent and suitable discount rate for project funding and economic forecasts. The model has been run as a life of mine model and includes sustaining capital and closure costs(in real terms). Based on the current metallurgical testwork knowledge, equipment selection, process design and Hillside mine plan, the Project is anticipated to achieve the design mill feed rate after 6 months of ramp-up (i.e. after completion of wet commissioning) assuming no major equipment failures. • The study outcome was tested for key financial inputs including: metal prices, operating costs, capital costs, grade and US/AU exchange rate. All of these inputs were tested for variations of +/-10%.
Social	• Rex has in place a community consultative group and all aspects of social interaction between the project and the community are addressed through the community consultative group.

Criteria	Commentary
Classification	• Based on the geological information provided and no increased risk to the modifying factors identified, all Measured Mineral resources if deemed economic by the DCF analysis have been classified as a Proved Ore Reserve. • Based on the geological information provided and no increased risk to the modifying factors identified, all Indicated Mineral resources if deemed economic by the DCF analysis have been classified as a Probable Ore Reserve. • The Ore Reserve estimate provided appropriately reflects the Competent Person's view of the deposit based on the modifying factors used derived from the EFS and the Mineral Resource model received and referred to in this announcement.
Audits or Reviews	• The appropriateness of the Ore Reserve calculation was reviewed by AMC Consultants.
Discussion or relative accuracy/confidence	• As part of the EFS for Hillside, Rex commissioned an assessment of the robustness of the June 2013 resource estimate. Although this study was completed on the June 2013 Mineral Resource estimate, it is the competent persons view that no material changes have occurred between the June 2013 estimate and the estimate used in the EFS. The results from this study are detailed in this announcement. • All mining estimates are based on Australian costs. • There are no unforseen modifying factors at the time of this statement that will have any material impact on the Ore Reserve estimate. Where practical and possible, current industry practices have been used to quantify estimations made. • As part of ongoing works, it is recommended that further work is completed in mine scheduling and operability testing to ensure any modifying factors are accurate and there is a high level of confidence as the project undergoes further technical evaluation.