EUROZ HARTLEYS

SITE VISIT | PUBLISHED ON 21 JANUARY 2026

RXL: Site Visit Notes for Australia's Highest Grade Institutional Quality Gold Developer.

RXL.ASX | ROX RESOURCES | MATERIALS | GOLD

PRICE	TARGET PRICE	RECOMMENDATION
0.57/sh	**1.06/sh**	**SPECULATIVE BUY**
	(FROM 0.64/sh)	(UNCHANGED)

Site visits; The team is Rox-ing and Rolling.

We visited the Rox Resources Youanmi development project on 21 January 2026; and we highlight the following key observations.

Development advance: The company is now taking three cuts per day. We have looked at the mine design and are comfortable We remind investors that the main Youanmi decline is 600m deep and only needs to be stripped to full size (can be done at a fraction of the cost; and multiple of the speed of normal full face boring) - we think this puts the company in good steed to out-perform on a relative basis. Byrnecut are doing a fantastic job; a true Tier 1 contractor. This is one of the better jobs I have seen.

Safety Management Systems: We sat down with management onsite and are happy with their processes to manage critical hazards. Once again, having a Tier 1 contractor does a lot of this heavy lifting.

Infrastructure and equipment: It is all new. We detail what we observed further in our full note.

Dewatering: Is on track and progressing well. The open pit is almost un-recognisable since we were there last. This remains a critical path item.

Personnel: *Oliver Keene* the GM was previously GM at West Gold and Mine Manager King of the Hills; *Jonathan Streeter*, GM Geology was previously Alternate General Manager at Barto Gold; Exploration Manager is *Andrew Shaw-Stuart* was formerly GM for Geology for Panoramic Resources; Byrnecut Project Manager is *John 'Grazza' Grazzadeli*. **The company has the talent to deliver the project and grow it.**

Mine Schedule: We are comfortable with the assumptions used and once again see upside to the DFS scenario.

Geotechnically: Excellent ground conditions most mines would love to have.

Geology: We have also sighted level plans, the block model and drill holes and are comfortable with the plan. The gradual changes in direction of the mineralisation (fault offsets) could support mining to a survey plan (vs geology control which is slower). A big tick for us.

Exploration upside: Much opportunity remains across the companies landholding which we also detail in this research report. The team is starting to get their eye in on the structural control in the mine and in near mine targets.

Action

We have sighted and are comfortable with the progress at the Youanmi project. As the saying goes; grade is king and starting off with it puts RXL shareholders at an immediate advantage to others. RXL is the highest grade, 100kozpa developer in Australia. We have updated our model for the DFS, adjusted our gold price deck. We maintain our **Speculative Buy** recommendation but **INCREASE our Price Target to $1.06/sh**. With the company trading well below our deck valuation; we see a compelling entry point here (even if the spot price for gold falls).

Catalysts

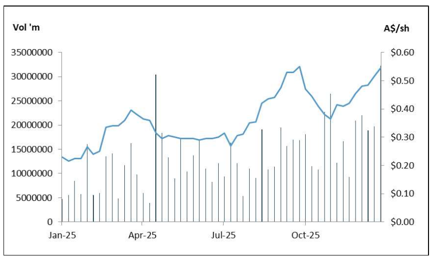
Mining approvals (MDCP); Works Approval; Exploration results (ongoing); Progress Updates (Monthly); First gold (Q2 CY27); M&A; Gold Price

Analysts

Kyle De Souza
kdesouza@eurozhartleys.com

MARKET STATS		
Share Price	**0.57**	**A$/sh**
Price Target	1.06	A$/sh
Valuation EH Deck	0.61	A$/sh
Val@ Spot US$4860	1.51	A$/sh
Shares on issue	1,388	m
Performance shares	30	m
Total Dil. FPOrd	**1,418**	**m**
Market Cap (dil)	$808	m
Enterprise Value	$554	m
Cash and Bullion	$254	m
Debt	$0	m
Major Shareholder…		
L1 Capital		15%
Hawkes Point		14%
Q Gold		13%
Directors		
Stephen Dennis		Chair
Phil Wilding		MD
David Boyd		NED
Nathan Stoitis		NED

Performance



Source: IRESS

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Total Dil. FPOrd	**1,418**	**m**
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Enterprise Value	$554	m
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Debt	$0	m

VALUATION		
	A$m	**A$/sh**
(+) Younami	620	0.50
(-) Tax	-153	-0.12
(-) Corporate	-31	-0.03
(+/-) Hedging	0	0.00
(+) Undeveloped Resources	0	0.00
(+) Cash	254	0.21
(+) Exploration	62	0.05
(-) Debt	0	0.00
Val @ EH Deck	**752**	**0.61**
Val@ Spot US$4860	**1854**	**1.51**
Average		**1.06**

RATIO ANALYSIS			
Yr End 30 June (A$m)	**2026F**	**2027F**	**2028F**
Operating Cashflow	(4)	(44)	161
Cashflow Per Share	(0)	(2)	7
Cashflow Ratio	na	(24)	7
Earnings	(4)	(44)	19
Earnings Per Share	(0)	(4)	2
EPS Growth	-15%	1144%	-142%
Earnings Ratio (x)	(157)	(13)	30
Enterprise Value	197	742	591
EV/EBITDA	(55.5)	(28.7)	3.4
EV/EBIT	(55.5)	(28.7)	19.3
Net Debt/(Net Debt + Equity)	na	50%	14%
Interest Cover	na	na	na
EBIT Margin	na	na	10%
Return on Equity	-1%	-24%	10%
Return on Assets	-1%	-11%	6%
Dividend per Share	-	-	-
Dividend Payout Ratio	0%	0%	0%
Dividend Yield	0%	0%	0%
Dividend Franking	0%	0%	0%

BALANCE SHEET			
Yr End 30 June (A$m)	**2026F**	**2027F**	**2028F**
Assets			
Cash	362	27	98
Current Receivables	-	-	-
Other Current Assets	-	-	-
Non-Current Assets	180	380	238
Total Assets	**542**	**407**	**336**
Balance Sheet			
Borrowing(s)	-	210	130
Current Liabilities	3	3	3
Non-Current	12	12	12
Total Liabilties	**14**	**224**	**144**
Net Assets	**527**	**183**	**191**

FORECAST PRODUCTION			
Yr End 30 June (A$m)	**2026F**	**2027F**	**2028F**
Attrib. Gold Prod'n (koz)			
(+) Younami	-	-	73
Total Attrib Gold (koz)	**-**	**-**	**73**
Prices (US$/oz)			
Avg Spot Gold Price	3,350	3,100	3,050
Avg Gold Price Rec'd	na	na	4,357
AUDUSD	0.66	0.68	0.70
AISC$/oz			
(+) Younami	na	na	2,198
Avg AISC $/oz (A$)	**na**	**na**	**2,198**
AIC (Inc. Growth and Exp)			**2,335**

PROFIT & LOSS			
Yr End 30 June (A$m)	**2026F**	**2027F**	**2028F**
Gold revenue	-	-	319
Hedging Revenue	-	-	-
Interest Income	-	-	-
Other Revenue	-	-	-
Total Revenue	**-**	**-**	**319**
Operating Costs	2	23	141
Dep/Armort	-	-	142
Corp O/H	2	3	5
Writeoff (expl'n)	-	-	-
Other	-	-	-
EBITDA	**(4)**	**(26)**	**173**
EBIT	**(4)**	**(26)**	**31**
Interest Expense	-	18	12
NPBT	(4)	(44)	19
Tax	-	-	-
Minority Interest	-	-	-
Net Profit	**(4)**	**(44)**	**19**
Net abnormal	-	-	-
Net profit After Abnormal	**(4)**	**(44)**	**19**

CASHFLOW			
Yr End 30 June (A$m)	**2026F**	**2027F**	**2028F**
Net Profit	(4)	(44)	19
(+) WC adj.	-	-	-
(+) Dep/Amort	-	-	142
(+/-) Provisions & Other	-	-	-
(+) Tax Expense	-	-	-
(-) Deferred Revenue	-	-	-
(-) Tax Paid	-	-	-
Operating Cashflow	**(4)**	**(44)**	**161**
(-) Capex + Dev.	125	200	-
(-) Exploration	10	10	10
(-) Asset Purchased	-	-	-
(+) Asset Sale	-	-	-
(+/-) Other	-	-	-
Investing Cashflow	**(135)**	**(210)**	**(10)**
(+) Equity Issues (rts,plc,opts)	200	-	-
(+) Loan Drawdown/receivable	250	-	-
(+) Loans from(to) other entities	-	-	-
(-) Loan Repayment	-	80	80
(-) Lease Liabilities	-	-	-
(-) Dividends	-	-	-
Financing Cashflow	**450**	**(80)**	**(80)**
Net Cashflows	311	(334)	71
(+/-) FX Adj.	-	-	-
EoP Cash Balance	**362**	**27**	**98**

Summary

Geology; Probably the biggest takeaway for me after this trip (and the biggest risk to most mine ramp ups) is the understanding of the geology. This team has been trained well – with Scott Marsh (major shareholder Hawks Point) critical in cracking the code to the ore body mineralisation regularly onsite. The team brings their own operational experience and are starting to understand the structural context of the mineralisation. **Why do we like this? It makes finding more a lot easier. Importantly; the ore-body is much more consistent than I thought**; and whilst there are offsets in mineralisation they are over longer periods so easier to manage (especially with the amount of drilling being completed). **This suggests to me that ore drive development could also occur without the need for geology control** (where a geologist has to go and look at every single cut and then direct the jumbo – which clearly slows things down) and could just remain on survey control (simply stick a laser in the wall and work out where to bore your holes using the offsets provided on a plan): a much faster development option. Being conservative however; the team has still run the schedule at 60m/month in ore drives. The ore-body is for the most part at the 70-80 degree dip which is perfect for long-hole drilling. Another important takeaway for me was looking at the plunge of the high-grade shoots and the potential 'missing data' in these areas which have some clear grade upside to the overall resource.

Youanmi Main Open pit dewatering: The Pit Dewatering has progressed significantly since we were last onsite with the top of the Youanmi portal just 7m below the surface. Dewatering is progressing well, with the company on track. All evaporation ponds are being utilised; with minor delays to vaporisers. Capacity remains in the evaporation ponds. Water is evaporating at 75-80L/s and dewatering is at 100-110L/s. When the evaporators are onsite and additional 30L/s of evaporation is expected. I could not see any evidence of destabilisation in the open pit as a results of dewatering (likely because it is done at a slow rate).

Figure 1: A picture of all of the evaporation ponds full. The wind helps with evaporation too.

Source: Euroz Hartleys

Figure 2: There isnt a lot of water in the pit since we were onsite last.

Source: Euroz Hartleys

Underground workshop area: Early works has begun which includes the levelling out of the surface and digging of foundation holes. Byrnecut are looking after this themselves.

Grouting of surface drillholes; The company is currently going through an extensive hole grouting program with 20% of holes grouted. The company is prioritising the grouting for holes which are located near or under critical infrastructure or those which come close to breakthrough areas in the near term. Just pass and parcel of starting up an operation. Any old holes which have not been documented in the past will also be grouted if they find them.

Grade control: The company has pulled forward grade control drilling; electing to do 3000m of RC drilling from surface for the initial levels of the mine in February. This will take drilling to a 20m x 20m spacing. Once the first level is developed underground; the company will complete grade control to a 10m x 10m spacing from dedicated underground stockpiles. **This is music to my ears and says to me that management understand this risk and are willing to put in the extra metres in the ground to deliver first. We see real opportunity for incremental resource growth as a result** (if the company can define more gold closer to surface this alleviated the vertical advance required) as the ‘drop’ of holes may have missed extensions to the ore-body higher. We also note that the company is seeking tenders for an onsite lab; this could speed up the grade control to block model time frames considerably. Faster decision making to follow.

Mine schedule: Built with a lot of contingency which we love to see. 270m/month per jumbo as an example (same rates scheduled by BGL who are exceeding the plan). All of the production slots are done with longholes (company considering using boxholes or rhino rigs which will speed this cycle up a lot). The stripping of the Youanmi main is run at 200m/month (I think you can easily get 400m/month) when you are stripping a decline – so lots of fat built in here also.

Underground mining; Going very well. The quality of the work cannot be understated – that that is what you get when you use a Tier 1 contractor like Byrnecut. John Grazzadelli is the Project manager who is well known as a mine builder in operating circles. The company is taking up to development cuts were taken over-night and the company is now running independent firing to keep the cycle turning without restrictions.

Figure 3: It was nice to get back underground with MD Phill Wilding who is an expert at mine start-ups.

Source: Euroz Hartleys

Figure 4: The bottom of the United North pit. Neat and tidy.

Source: Euroz Hartleys

Figure 5: The Portal at United North. Neat and tidy. You wouldn't expect anything less from Byrnecut.

Source: Euroz Hartleys

Figure 6: The United North Return Air-Way. Also picture perfect.

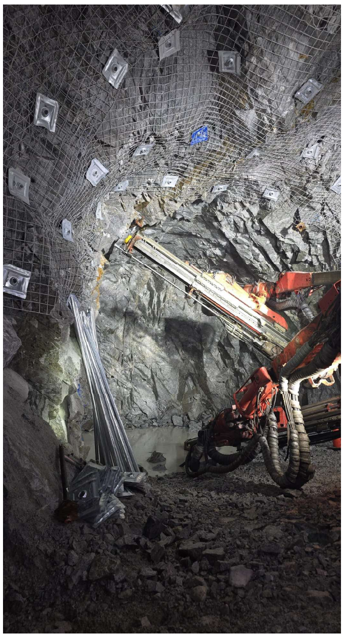
Source: Euroz Hartleys

Ground conditions are very good. Regional structures which were intercepted in the mine required additional cabling and shotcrete but not much else. The profile of the development has been maintained and overbreak is very little (should make development even easier as the company has to move less dirt). The only issues this structure caused was slight delays due to development holes collapsing (operators have to clean out holes again and again during charging with ANFO) and water (which neutralises ANFO explosive). That aside; development is straight forward with just split sets used in most travel ways outside the initial portal which is in the transitional zone and requires more dynamic support. The jumbo operator is going through about 6 bits per cut; which confirms the abrasive nature of the ore.

Figure 7: The bottom of the United North decline.

Source: Euroz Hartleys

Figure 8: The jumbo installing some mesh and bolts in the decline sump.



Source: Euroz Hartleys

The company is currently drilling and blasting with ANFO, but will move to emulsion prior to ore drive development beginning (ANFO reacts with the sulphides causing premature detonation and it is much safer to use Emulsion). The minimum mining width for the stope optimisers is 2m, but the average thickness of the stopes is about 3m – absolute walk in the park to mine.

The next leg of the return airway is being developed; and the breakthrough will allow fans to move underground.

I observed all protocol being followed from parking vehicles into walls; to simple things like chubby bolts (small split sets) put with the point down in the decline, entrapment with refuge chambers; working from heights and PPE. **You get what you pay for with a Tier 1 contractor including the people, processes and procedures.**

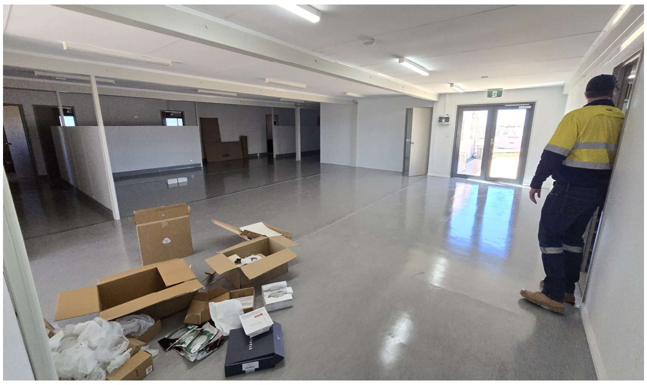
A second jumbo will be mobilising to site at FID (expected late March/Early April). 1 jumbo will remain at United North and the other at Pollard and Youanmi Main.

New offices: Nice offices with plenty of space for an operation of this scale. More senior personnel have noise proof walls which is a great touch which meet the need of a modern workforce.

Figure 9: Always nice to see offices that don't remind you of the movie the Castle.

Source: Euroz Hartleys

Figure 10: Big open plan space in the middle of offices that run around the perimeter.



Source: Euroz Harrtleys

New Camp Infrastructure: 60 rooms were recently installed to support development crews onsite taking it to 111 in total. An additional 240 rooms are getting installed and should be commissioned by May.

We think these rooms are a great standard because;

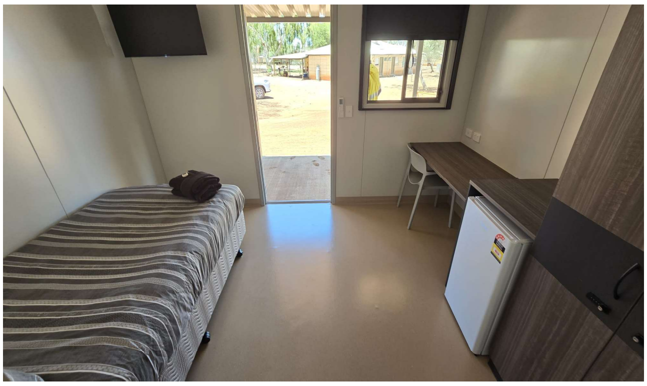
1. They are much larger than the traditional dongas.
2. The floors are concrete (so the noise from your neighbor leaving for the gym at 3am is 0)
3. All the walls are double-thickness; so it is quiet.
4. All the blocks have two WiFi points so there is high speed internet in the room.
5. There are two lockers in each room; so those on equal time rosters can share rooms if necessary (but don't need to move all their stuff out - they can just put it in the cupboard).

In an environment which is getting increasingly hard to attract and retain talent; and a talent pool that is acutely aware of their mental wellbeing - small elements like this are critical.

Figure 11: I wish I had a room like this when I was mining. We think this is critical in meeting the expectations of a modern and evolving workforce.

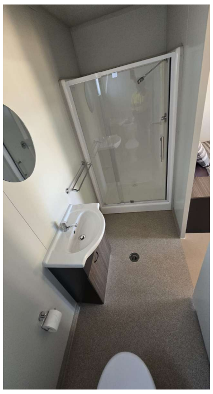
Source: Euroz Hartleys

Figure 12: Looking at the room from the bathroom.



Source: Euroz Hartleys

Figure 13: A shower with a glass window? at a mine site?



Source: Euroz Hartleys

Figure 14: This is something I have not seen before; multiple areas for people to congregate after work and have a conversation. Not everyone wants to sit at the 'wetty'.

Source: Euroz Hartley

Figure 15: It was 41 degrees when we were onsite; I wont lie - this pool (which was installed a long time ago) looked mighty appealing. Pools are rare on mine sites; but its great to see one and a big plus for maintaining wellbeing onsite.

Source: Euroz Hartley

Potential Risks (Which are being managed well)

Critical Spares: Company is actively building on this but for all the infrastructure they have onsite there is one spare i.e. only 2 pumps required but 3 in the water. Note: that Byrnecut shoulders most of the spares required for mining. Phill is great at managing these risks; and has it all covered.

Attracting, retaining and training talent; Whilst the company has not had issues to date – this could emerge as a problem as more mines turn on with record gold prices. Key personnel have been incentivised with performance rights in line with management KPIs. The company also has a strategy for training new personnel (this is particularly important for geologists to get their eye in). I think the effort to build a camp that is comfortable makes all the difference in trying to attract the right people. People who are valued bring good values to a company. A strong foundation to build from.

Dewatering delays; A natural constraint as any delays to dewatering could push out start dates for everything else. **Dewatering is on track but we are watching this closely as a critical path item**. We do note the schedule is relatively conservative for development at Youanmi Main, so there is plenty of scope to easily catch up on any additional delays.

Inclement weather; we have seen the effects of inclement weather at mines before – and in particular rain. The company has a robust water management plan in place in the event of a 1:100 year rainfall event. A 1:100 surge stockpile has been built into the plan for United North; and a pump (with a backup coming to site in Feb) will be maintained and run at all times at the bottom of the pit. We note United North sits at the high point of a granite outcrop and so this is not a natural point for water to want to drain into anyway – so pumping is really just for rain that falls into the relatively small pit. WE also note the decline has been mined as an incline for the first 30m so water does not drain into the underground from the top of the mine.

Permitting delays; There are two major permits outstanding.

- Mine Development and Closure Plan (MDCP) which is administered by the Department of Mines, Petroleum and Exploration. This is needed as soon as possible (but expected in March).
- Works Approval is done through the Department of Water and Environmental DWER: Tailings and major construction like the mill footings and foundation – expected May but they don't need it until July.

Old voids: Working voids is inherently risky and there are some areas where mining will come close to them. The company plans on using drones to survey old mining areas and Byrnecut is no stranger to working in these conditions either. SO whilst a risk, I think they have a good plan on managing it. We note that there are no voids at United North.

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No part of our compensation was, is or will be directly or indirectly, related to the specific recommendations or views expressed by the authoring Analyst in this research, nor has there been any adverse or undue influence on the Analyst in the preparation of this report.

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Rox Resources (RXL.ASX) | Price 0.57 | Target price 1.06 | Recommendation Speculative Buy;

Price, target price and rating as at 21 January 2026 (not covered)*

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Research Analysts

Gavin Allen, Executive Director & Head of Research | +618 9488 1413 | gallen@eurozhartleys.com

Mike Millikan, Senior Analyst | +618 9268 2805 | mmillikan@eurozhartleys.com

Michael Scantlebury, Resources Analyst | +618 9268 2837 | mscantlebury@eurozhartleys.com

Steven Clark, Resources Analyst | +618 9488 1430 | sclark@eurozhartleys.com

Kyle De Souza, Resources Analyst | +618 9488 1427 | kdesouza@eurozhartleys.com

Declan Bonnick, Research Analyst | +618 9488 1481 | dbonnick@eurozhartleys.com

Seth Lizee, Research Analyst | +618 9488 1414 | slizee@eurozhartleys.com

Oliver Porter, Research Analyst | +618 9488 1429 | oporter@eurozhartleys.com

Ben Ledger, Associate Research Analyst | +618 9268 2834 | bledger@eurozhartleys.com