EUROZ HARTLEYS

PROACTIVE | PUBLISHED ON 29 APRIL 2026

RXL: Operating traits you cannot under-estimate.

RXL.ASX | ROX RESOURCES | MATERIALS | GOLD

PRICE	TARGET PRICE	RECOMMENDATION
0.44/sh	**0.90/sh**	**SPECULATIVE BUY**
	(FROM 1.06/sh)	(UNCHANGED)

RXL has three key differentiators to out-perform this cycle

On a medium-long term horizon; these characteristics setup RXL to out-perform.

Vertical advance capability

One of the biggest bottlenecks underground is the ability for a company to advance the mine vertically. Because development at Youanmi Main is already down to 600m (with a 4.5m x 4.5m dimension) the hard work has already been done. **We've seen the opportunity this creates with companies like CYL and MEK utilising existing development.**

This allows a reallocation of resources into ore-drive development (more ore tonnes) and thus does not need as many jumbos (the most technical of the underground operating cycle, the hardest to find operators and therefore the most expensive) and importantly reduces the waste movement in the mine (which predominantly comes from capital development).

Ore-body continuity with grade

In this piece we investigate the underground reserve grades of all the producers in Australia. What is evidently clear; **Youanmi will be one of the highest grade producers on the ASX with mines in Australia.** Importantly the grade is well understood and grade control drilling is set to define 1 year of production in advance to add greater granularity to mine planning and reconciliation processes to a high 20m x 20m resolution or less. **The gentle undulating nature of the ore-body allows rapid ore drive development** (laser plans vs the alternative method of geological control which is much slower).

We also note the near mine exploration optionality (as we have seen in the most recent quarterly) where infill drilling has defined extensions to the resource model higher up in the mines which supports accelerated stockpile build prior to the mill commissioning.

Contractor selection

RXL has selected Tier 1 contractors for the underground mining and the mill build. Both have the capacity and capability to execute. We detail specifics in our report. We also note the company has entered into a second fuel supply contract to de-risk energy supply; whilst also increasing site capacity from 190kL in March to 430kL in mid-April.

Action

We maintain our speculative buy on RXL as MD, Phill Wilding moves the company toward first gold in mid-CY2027. The company has delivered on everything it said it would. Grade is king, and we believe the highest grade gold development story on the ASX will out-perform in the medium term because of these unique traits. Underground dewatering is expected to start this quarter for the Youanmi Main in conjunction with turnouts in ore-drives at the United North portal.

Funded with $200m of cash ($200m capital raise @ $0.35/sh), and $350m in debt facilities undrawn (we believe this gives the company ~$100m of contingency) **we maintain our Speculative Buy recommendation but a falling gold price sees us reduce our Price Target to $0.90/sh (which still marks a 100% gain on the current share price).**

Catalysts

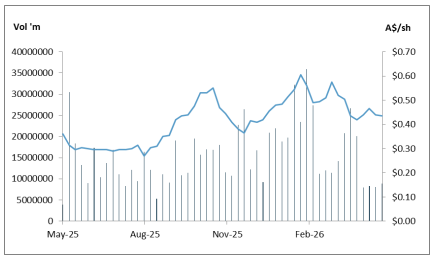
Civil works begin (Q4 CY26); First ore and stockpile build (Q3 CY26); Drill results (ongoing); Debt drawdown (H1 FY27); First gold (mid-CY2027)

Analyst

Kyle De Souza
kdesouza@eurozhartleys.com

MARKET STATS		
Share Price	**0.44**	**A$/sh**
Price Target	0.90	A$/sh
Valuation EH Deck	0.74	A$/sh
Spt.US$4570FX0.71	1.05	A$/sh
Shares on issue	1,389	m
Performance shares	30	m
Total Dil. FPOrd	**1,419**	**m**
Market Cap (dil)	$624	m
Enterprise Value	$424	m
Cash and Bullion	$200	m
Debt($350 undrawn)	$0	m
Directors		
Stephen Dennis		Chair
Phil Wilding		MD
David Boyd		NED
Nathan Stoitis		NED
Major Shareholders		
L1 Capital		18%
Hawkes Point		14%
Q Gold		13%

Performance



Source: IRESS

MARKET STATS		
Share Price	**0.44**	**A$/sh**
Price Target	0.90	A$/sh
Valuation EH Deck	0.74	A$/sh
Spt.US$4570FX0.71	1.05	A$/sh
Shares on issue	1,389	m
Performance shares	30	m
Total Dil. FPOrd	**1,419**	**m**
Market Cap (dil)	$624	m
Enterprise Value	$424	m
Cash and Bullion	$200	m
Debt	$0	m

VALUATION		
	A$m	**A$/sh**
(+) Younami	1035	0.73
(-) Tax	-253	-0.18
(-) Corporate	-31	-0.02
(+/-) Hedging	0	0.00
(+) Undeveloped Resources	0	0.00
(+) Cash	200	0.14
(+) Exploration	104	0.07
(-) Debt	0	0.00
Val @ EH Deck	**1055**	**0.74**
Spt.US$4570FX0.71	**1485**	**1.05**
Average		**0.90**

RATIO ANALYSIS			
Yr End 30 June (A$m)	**2026F**	**2027F**	**2028F**
Operating Cashflow	(4)	(54)	327
Cashflow Per Share	(0)	(2)	13
Cashflow Ratio	na	(23)	3
Earnings	(4)	(54)	152
Earnings Per Share	(0)	(4)	11
EPS Growth	-26%	1413%	-382%
Earnings Ratio (x)	(175)	(12)	4
Enterprise Value	259	875	608
EV/EBITDA	(72.8)	(33.8)	1.6
EV/EBIT	(72.8)	(33.8)	3.0
Net Debt/(Net Debt + Equity)	na	56%	na
Interest Cover	na	na	na
EBIT Margin	na	na	39%
Return on Equity	-1%	-27%	52%
Return on Assets	-1%	-10%	25%
Dividend per Share	-	-	-
Dividend Payout Ratio	0%	0%	0%
Dividend Yield	0%	0%	0%
Dividend Franking	0%	0%	0%

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	4,625	4,540	4,225
Avg Gold Price Rec'd	na	na	6,036
AUDUSD	0.69	0.69	0.70
AISC$/oz			
(+) Younami	na	na	2,240
Avg AISC $/oz	**na**	**na**	**2,240**
AIC (Inc. Growth and Exp)			**2,513**

PROFIT & LOSS			
Yr End 30 June (A$m)	**2026F**	**2027F**	**2028F**
Gold revenue	-	-	774
Hedging Revenue	-	-	-
Interest Income	-	-	-
Other Revenue	-	-	-
Total Revenue	**-**	**-**	**774**
Operating Costs	2	23	152
Dep/Armort	-	-	175
Corp O/H	2	3	5
Writeoff (expl'n)	-	-	-
Other	-	-	-
EBITDA	**(4)**	**(26)**	**616**
EBIT	**(4)**	**(26)**	**441**
Interest Expense	-	28	26
NPBT	(4)	(54)	415
Tax	-	-	97
Minority Interest	-	-	-
Net Profit	**(4)**	**(54)**	**318**
Net abnormal	-	-	-
Net profit After Abnormal	**(4)**	**(54)**	**318**

CASHFLOW			
Yr End 30 June (A$m)	**2026F**	**2027F**	**2028F**
Net Profit	(4)	(54)	318
(+) WC adj.	-	-	-
(+) Dep/Amort	-	-	175
(+/-) Provisions & Other	-	-	-
(+) Tax Expense	-	-	97
(-) Deferred Revenue	-	-	-
(-) Tax Paid	-	-	97
Operating Cashflow	**(4)**	**(54)**	**493**
(-) Capex + Dev.	217	192	-
(-) Exploration	15	20	20
(-) Asset Purchased	-	-	-
(+) Asset Sale	-	-	-
(+/-) Other	-	-	-
Investing Cashflow	**(232)**	**(212)**	**(20)**
(+) Equity Issues (rts,plc,opts)	200	-	-
(+) Loan Drawdown/receivable	350	-	-
(+) Loans from(to) other entities	-	-	-
(-) Loan Repayment	-	-	80
(-) Lease Liabilities	-	-	-
(-) Dividends	-	-	-
Financing Cashflow	**550**	**-**	**(80)**
Net Cashflows	315	(265)	393
(+/-) FX Adj.	-	-	-
EoP Cash Balance	**365**	**100**	**492**

BALANCE SHEET			
Yr End 30 June (A$m)	**2026F**	**2027F**	**2028F**
Assets			
Cash	365	100	492
Current Receivables	-	-	-
Other Current Assets	-	-	-
Non-Current Assets	272	463	288
Total Assets	**637**	**563**	**781**

Summary

Figure 1: Market Statistics

MARKET STATS		
Share Price	**0.44**	**A$/sh**
Price Target	0.90	A$/sh
Valuation EH Deck	0.74	A$/sh
Spt.US$4570FX0.71	1.05	A$/sh
Shares on issue	1,389	m
Performance shares	30	m
Total Dil. FPOrd	**1,419**	**m**
Market Cap (dil)	$624	m
Enterprise Value	$424	m
Cash and Bullion	$200	m
Debt	$0	m

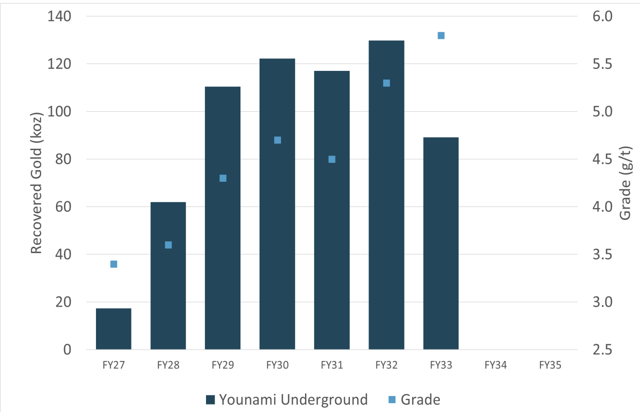
Source: Euroz Hartleys Research

Figure 2: Valuation and Price Target

VALUATION	A$m	A$/sh
(+) Younami	934	0.66
(-) Tax	-228	-0.16
(-) Corporate	-31	-0.02
(+/-) Hedging	0	0.00
(+) Undeveloped Resources	0	0.00
(+) Cash	200	0.14
(+) Exploration	93	0.07
(-) Debt	0	0.00
Val @ EH Deck	**969**	**0.68**
Spt.US$4570FX0.71	**1485**	**1.05**
Average		**0.86**

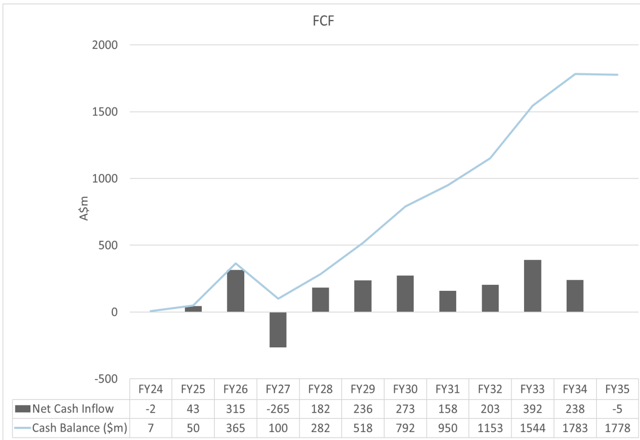
Source: Euroz Hartleys Research

Figure 3: Production profile



Source: Euroz Hartleys Research

Figure 4: We believe RXL has $100m of contingency in the funding they have secured.



Source: Euroz Hartleys Research

Vertical advance capability

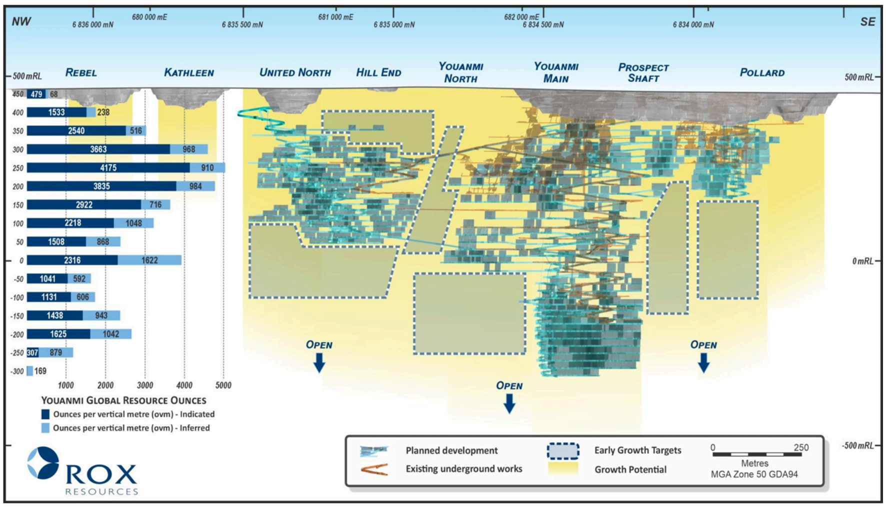
One of the biggest bottlenecks underground is the ability for a company to advance the mine vertically. In short; if you cannot push the decline (main travel way) down fast enough, you cannot unlock the production levels fast enough to maintain a steady output. Reasons why vertical advance fails are 1) Inability to attract good operators 2) Ground conditions (hard or with water) 3) Poor mine planning and design.

Because development at Youanmi Main is already down to 600m (with a 4.5m x 4.5m dimension) the hard work has already been done. The majority of the waste has already been moved and **the only requirement is 'stripping' of the existing decline to 5.5m x 5.8m and then supporting it.** To this end, what would have normally have a 12 hour cycle now has a 6 hour cycle. On a conservative basis this would mean two (2) decline cuts per day which equates to an advance of 7m (or 1m vertical) every 24 hours; assuming this is achieved on 5 out of 7 days a week, that is 5m vertical advance a week and therefore 250m vertical per year. To a depth of 750m, the three declines have an average resource of 2900 ounces per vertical metre (assume 1500 ounces per vertical metre in a reserve across 3 declines, and therefore roughly 500 ounces per vertical metres per decline). So if the company can advance at 250m vertically per year at 500 ounces per vertical metre; its theoretically unconstrained to 125koz per annum **from just one decline. So as you can see; the decline is definitely not the bottleneck and therefore major advantage.**

We do not see this situation eventuating (as it is not required to fill the mill), we're merely suggesting that there is plenty of scope for improvements in production (particularly if the down plunge extents of United North, Youanmi Main and Pollard extend at depth.

The company can therefore allocate metres in the schedule to the ore-drive development and also does not need as many jumbos (the most technical of the underground processes, the hardest to find operators and therefore the most expensive).

Figure 5: The digram below shows the ounces per vertical metre over the three main ore-bodies. United North, Youanmi Main and Pollard.

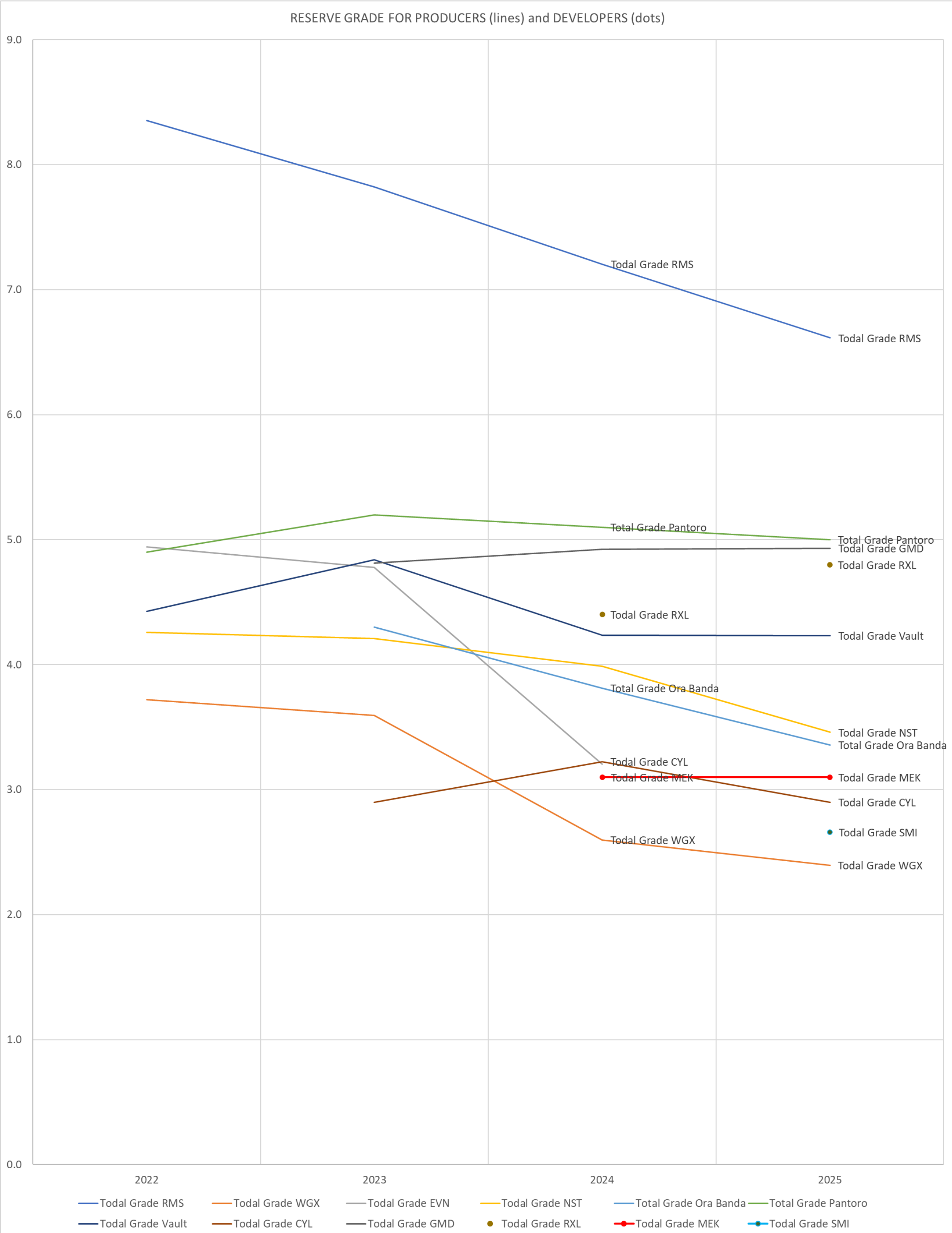


Source: RXL

Mineralisation continuity and high-grade

We investigated the underground reserve grades of all the producers in Australia. What is evidently clear; Youanmi will be one of the highest grade producers on the ASX with mines in Australia.

Figure 6: RXL is underground only; and when we compare it to other significant ASX underground producers; we see that the reserve grade for RXL (4.8g/t Au) is only lower than RMS (6.6g/t), GMD (4.9g/t prior to MAU acquisition) and PNR (5.0g/t).



Source: Euroz Hartleys Research

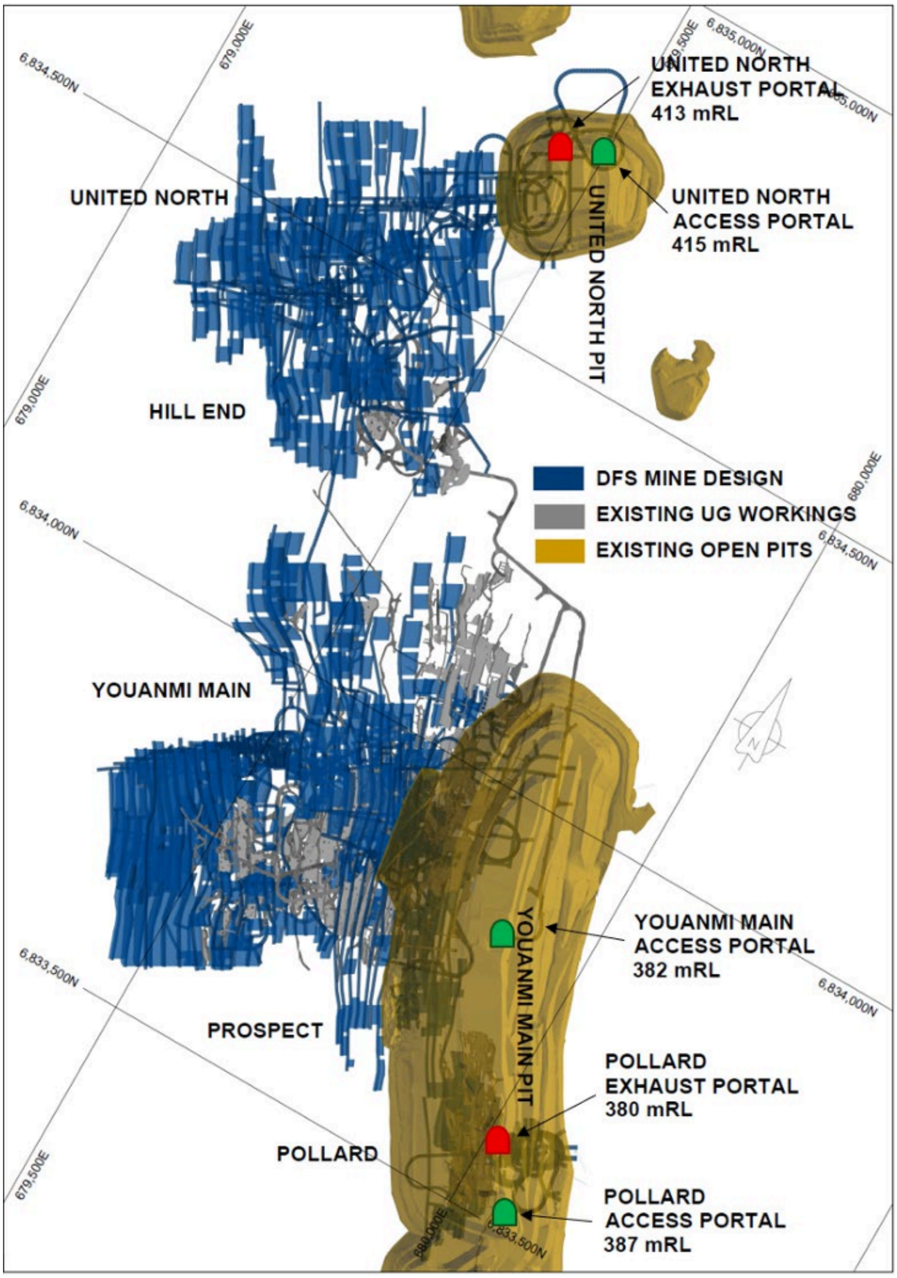
Mineralisation continuity and grade

The mine design is quite simple; and we have seen it in the DFS and on site visits. We think the mine design is simple and favours rapid development in the ore-drives - more straight sections than turns.

This is also very useful for production drilling as turns can often complicate things (additional long-hole rings required).

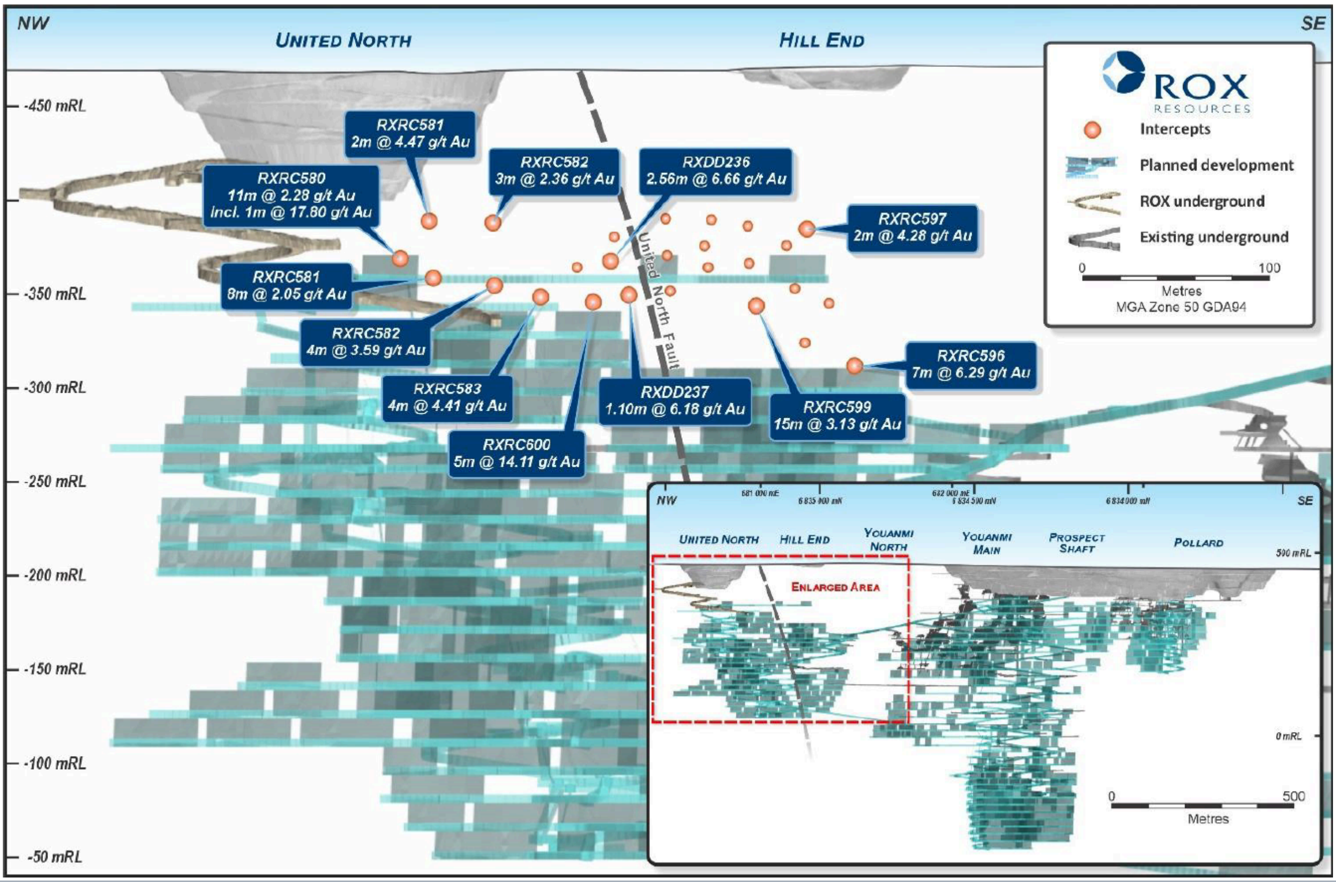
We also flag that the mine is being drilled out to a nominal 20m x 20m spacing; with grade control on more structured/complex areas of the mine drilled to a higher granularity. We welcome this as we have seen too many times before; insufficient drilling the reason for many a company failure.

Figure 7: A plan view of the RXL mine design which also shows the 'gentle' undulating nature of the ore-body. There is nothing overly complex about mining this ore-body (at pace) in our view.



Source: RXL

Figure 8: We also flag recent drill results including RXRC600: 5m @ 14.15g/t Au from 120m; RXRC599: 15m @ 3.63g/t Au from 173mm; RXRC596: 7m @ 6.29g/t Au from 183m; RXRC583: 4m @ 4.41g/t Au from 139m which show there is more ore on the first level at United North than planned (this could see ounces pulled forward and support a bigger stockpile build for commissioning) and it looks like the levels below this could also have more ounces.



Source: Euroz Hartleys Research

Contractor selection

Choosing the right contractor (not necessarily the cheapest) can make or break a company.

Underground contractor

In an environment like this where underground operators (particularly experienced ones) are hard to find; having a Tier 1 contractor matters. Why? Because they have the scale to move people around the business to fill in any 'holes' that emerge from departures in people, gaps in skillset or changes in the mine schedule. Byrnecut Australia has been selected for the underground mining at Youanmi and having worked with them before on 3 different projects - I can speak from first hand experience when it comes to the capability of the business.

Processing plant build

RXL have also elected to engage with MACA Interquip for the processing plant build. This was no doubt based on cost, but a consideration was also that MACA Interquip only ever have two projects being built at any particular time. An experienced team that is deployed to build projects. This is different to other mill builders who get contracts and then worry about filling the positions to build it. In an environment where people are getting harder to find; we think this is a smart decision.

Fuel suppliers

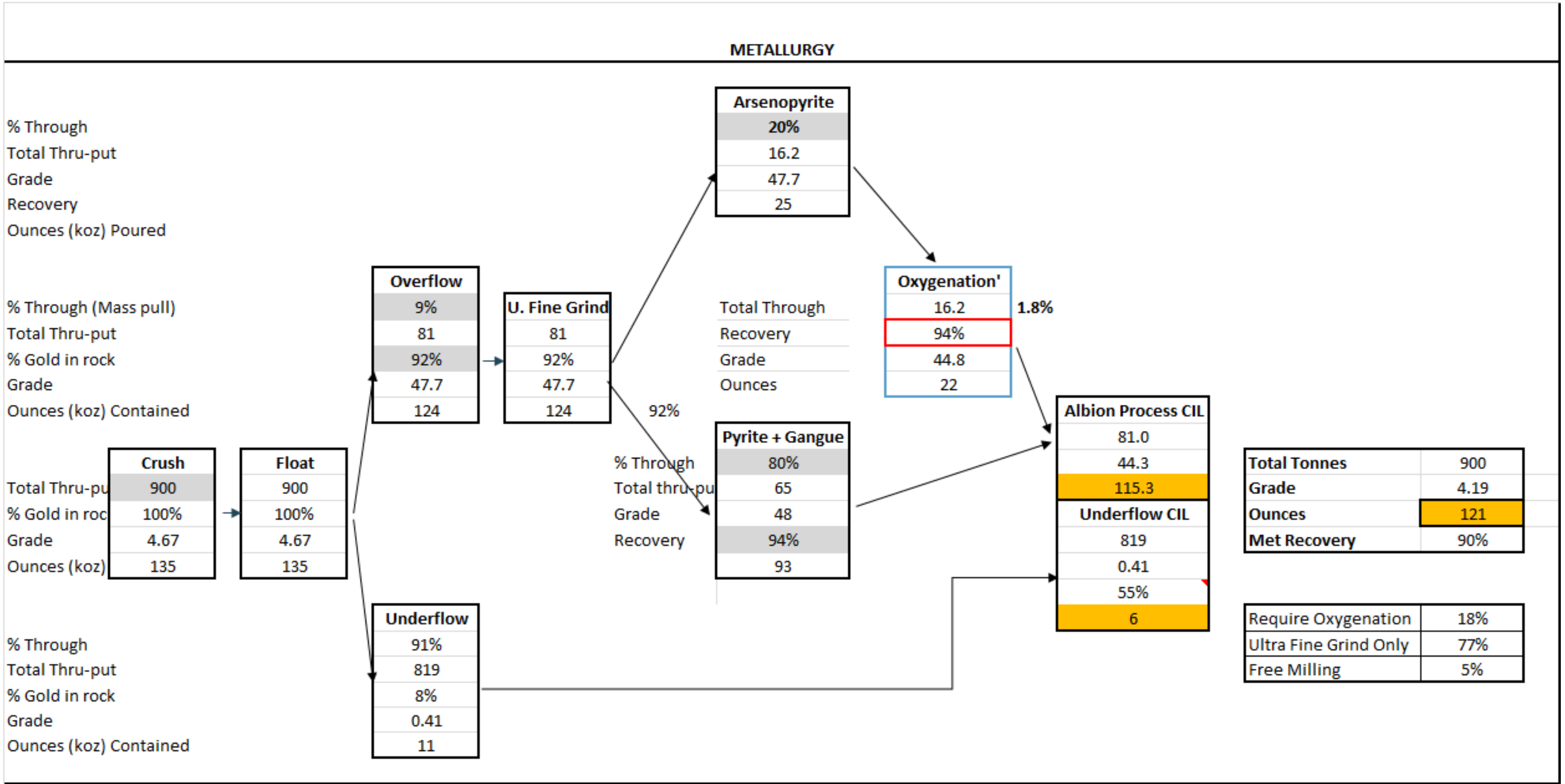
Phill has elected to get his fuel from two different suppliers; and increased the fuel capacity on site from 190kL to 430kL.

Debt suppliers

Tier 1 Australian and International lenders.

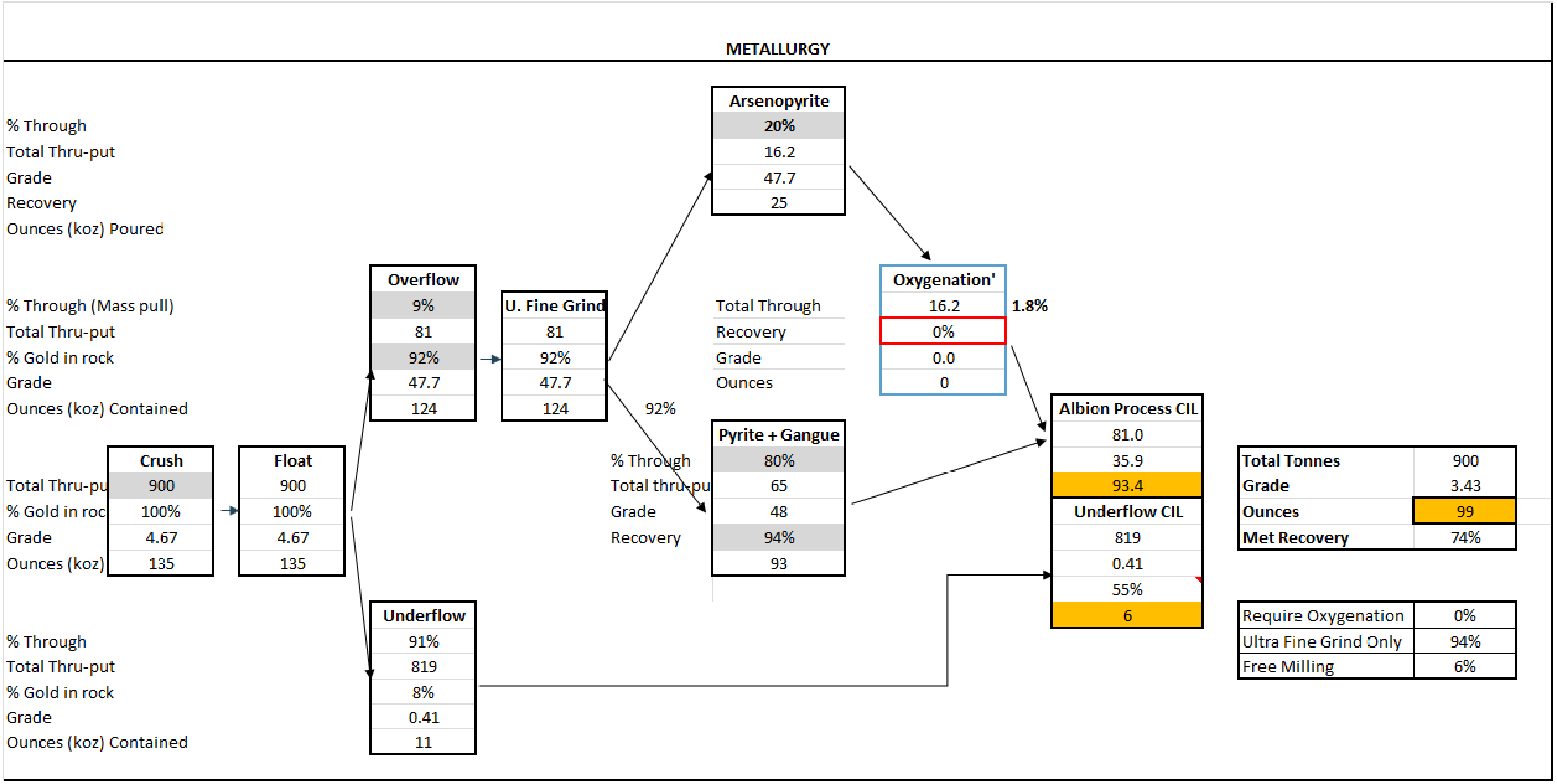
Metallurgy

Figure 9: The flowsheet for RXL is different to most; because it utilises the Albion process (oxygenation). This is what the flow sheet looks like which results in 121kopa of gold produced at recoveries at 90%. Importantly; just 18% of the ore requires oxygenation through the Albion process (at ambient air temperature and pressure). For those in doubt; do you think Tier 1 banks would hand out $350m in debt, unhedged on such favourable terms if they didn't think Albion would work?



Source: Euroz Hartleys Researc

Figure 10: If we consider the impact of Albion failing entirely (zeroing the recovery in the red-box) we still have an asset producing ~100kozpa (but metallurgical recovery drops to 74%).



Source: Euroz Hartleys Research

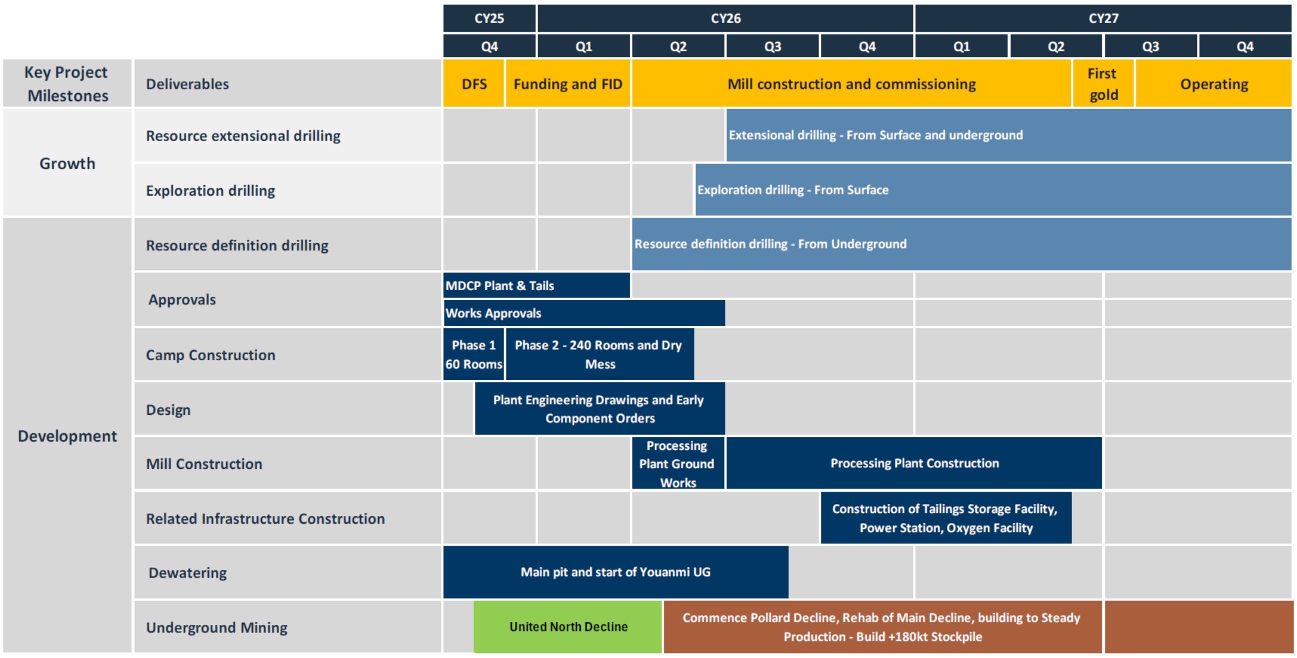
Comparable

Figure 11: On an EV:Production ounce, RXL trades at a significant discount to its peers. With a current EV of $424m ($300m of undrawn debt) and average production over the LOM of 123kozpa, this equates to an EV:Production ounce of $3444/oz per annum when the average (including the African producers) sit at $16,703/annual production ounce. In effect; 5x cheaper than the average producer. We don't think the math stacks up here which is also where we see the opportunity for investors.

Producer Company		Price A$/sh	M Cap A$m	Net Cash A$m	EV A$m	FY/CY	26'e Prod koz	EV/prod A$/oz	AISC A$/oz	EV: Margin x Rsv*
Evolution Mining Ltd	EVN	12.69	25,685	-362	26,047	FY	745	34,962	1,525	0.47
Northern Star	NST	21.50	24,955	293	24,662	FY	1,650	14,947	2,500	0.28
Greatland Resources	GGP	14.11	9,792	948	8,844	FY	285	31,033	2,600	0.75
Perseus Mining Ltd	PRU	5.51	7,620	1,150	6,470	FY	425	15,223	2,159	0.19
Genesis Minerals	GMD	6.27	7,328	404	6,924	FY	279	24,816	2,550	0.49
Ramelius Resources	RMS	3.67	7,002	694	6,308	FY	194	32,516	2,014	0.60
Westgold Resources.	WGX	6.10	5,753	654	5,099	FY	415	12,278	2,587	0.37
Regis Resources	RRL	7.20	5,469	930	4,539	FY	365	12,435	2,800	0.76
Vault Minerals Ltd	VAU	4.65	4,855	537	4,318	FY	358	12,068	2,744	0.29
Capricorn Metals	CMM	11.49	4,756	444	4,312	FY	120	35,935	1,580	0.22
Emerald Res NL	EMR	6.20	4,161	373	3,788	FY	115	32,943	1,480	1.10
West African Res Ltd	WAF	2.98	3,429	313	3,116	CY	493	6,325	1,857	0.11
Ora Banda Mining Ltd	OBM	1.48	2,749	155	2,594	FY	151	17,193	2,785	3.04
Resolute Mining	RSG	1.22	2,618	209	2,409	CY	280	8,604	2,506	0.14
Bellevue Gold Ltd	BGL	1.61	2,421	65	2,356	FY	140	16,832	2,525	0.45
Alkane Resources Ltd	ALK	1.55	2,114	232	1,882	FY	164	11,477	2,830	0.75
Orezone Gold Corp	ORE	2.27	1,496	-10	1,506	CY	249	6,038	1,788	0.09
Catalyst Metals	CYL	6.04	1,404	238	1,166	FY	113	10,362	2,400	0.29
Pantoro Gold Limited	PNR	3.38	1,334	217	1,118	FY	102	10,959	2,240	0.28
Black Cat Syndicate	BC8	1.15	864	91	773	FY	100	7,726	3,500	0.81
New Murchison Gold	NMG	0.05	536	92	444	FY	60	7,398	2,500	0.81
Aurelia Metals Ltd	AMI	0.28	518	86	433	FY	80	5,409	2,146	0.32
Meeka Metals Limited	MEK	0.14	430	67	363	FY	48	7,555	2,100	0.21
Robex Resources	RXR	0.00	0	29	-29	FY	200	-143	1,828	0.00
Mean			**5,766**	**352**	**5,414**		**313**	**16,703**	**2,346**	**0.57**
Median			**3,795**	**266**	**3,452**		**222**	**12,356**	**2,500**	**0.41**

Source: Euroz Hartleys Research

Figure 12: The companies pathway to first production has not changed since this was released in Q4 2025. Importantly; MD Phill Wilding has executed on what he said he would despite the uncertainty in the market and relatively challenging conditions for developers.



Source: RXL

Personal disclosures

We hereby certify that all of the views expressed in this report accurately reflect our personal views about the subject company or companies and its or their securities, and we are not in possession of, nor does this Research contain any inside information.

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.

Company disclosures

The companies and securities mentioned in this report, include:

Rox Resources (RXL.ASX) | Price 0.44 | Target price 0.90 | Recommendation Speculative Buy;

Price, target price and rating as at 29 April 2026 (not covered)*

Additional disclosures

The analyst declares that they have a beneficial interest in: Rox Resources (RXL.ASX)

Euroz Hartleys declares that it has acted as underwriter to, and/or arranged an equity issue in, and/or been engaged in a capital raising during the last year. Euroz Hartleys has received a fee for these services from: Rox Resources (RXL.ASX)

Other disclosures, disclaimers and certificates

Disclaimer & Disclosure

Euroz Hartleys Limited, and their associates declare that they deal in securities as part of their securities business and consequently may have an interest in the securities recommended herein (if any). This may include providing equity capital market services to the issuing company, hold a position in the securities, trading as principal or agent and as such may effect transactions not consistent with the recommendation (if any) in this report.

You should not act on any recommendation issued by Euroz Hartleys Limited without first consulting your investment adviser in order to ascertain whether the recommendation (if any) is appropriate, having regard to your objectives, financial situation and needs. Nothing in this report shall be construed as a solicitation to buy or sell a security, or to engage in or refrain from engaging in any transaction.

Euroz Hartleys Limited believes that the information and advice contained herein is correct at the time of compilation, however we make no representation or warranty that it is accurate, complete, reliable or up to date, nor do we accept any obligation to correct or update the opinions in it. The opinions expressed are subject to change without notice. No member of Euroz Hartleys Limited accepts any liability whatsoever for any direct, indirect, consequential or other loss arising from any use of this material.

We cannot guarantee that the integrity of this communication has been maintained, is free from errors, virus interception or interference. The author of this publication, Euroz Hartleys Limited, it's directors and their associates from time to time may hold shares in the security/securities mentioned in this Research document and therefore may benefit from any increase in the price of those securities. Euroz Hartleys Limited, and its Advisers may earn brokerage, fees, commissions, other benefits or advantages as a result of transactions arising from any advice mentioned in publications to clients.

This research report is the product of Euroz Hartleys. This research is not intended for use by any U.S. person that does not qualify as a Major U.S. Institutional Investor (as defined in SEC Rule 15a-6). The analysts who prepare Euroz Hartleys' reports are employees of Euroz Hartleys, reside outside the United States and are not associated with an SEC-registered broker-dealer. As a result, such analysts are not subject to FINRA Rule 2241 or to SEC Regulation AC which, among other things, restrict a research analyst's public appearances, personal securities trading and communications with subject companies.

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

Noah Egitto, Associate Research Analyst | +618 9268 2892 | negitto@eurozhartleys.com