Canaccord Genuity

Flash Update

Rox Resources Limited

Precious Metals - Developer/Explorer

Australian Equity Research
19 August 2026

Rating **SPECULATIVE BUY**	Price Target **A$1.05**
RXL-ASX	Price **A$0.55**

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Native Title Agreement signed

Rox Resources (RXL-ASX) has executed a binding Native Title Mining Agreement with the Badimia Barna Native Title Claim Applicant covering the Youanmi Gold Mine project area, representing another key permitting and development milestone as the company targets first gold in mid-2027. The agreement provides consent for the grant and renewal of future mining tenure and associated approvals across the project area, covering both existing tenure and future applications.

The agreement establishes a framework for ongoing cooperation covering cultural heritage management, environmental consultation, employment, training and contracting opportunities, while also incorporating financial benefits to the Badimia people via an upfront payment and production-based royalty. A project liaison committee will be established to support ongoing engagement between the parties.

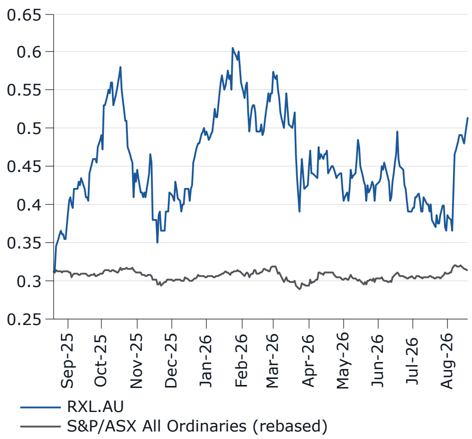
Our view: We view the agreement as a positive de-risking outcome for Youanmi, providing greater certainty around future tenure and approvals while formalising RXL's relationship with traditional owners ahead of project development. Given we had been factoring in a Native Title royalty in our model for total royalties of 4% over Youanmi (2.5% WA government royalty, 1% NSR third party royalty relating to Venus Metals' prior ownership and now owned by Franco Nevada, and a 0.5% Native Title royalty) the announcement is unlikely to have a material impact on project economics, but removes another non-technical hurdle as the company progresses financing, permitting and development activities toward production. We note that every additional 0.5% royalty applied to our model removes $10m from our NAV at our current forecast gold prices.

Valuation and recommendation: Our price target remains $1.05. We maintain our SPEC BUY rating. We model a potential development scenario based on the November 2025 DFS, using weighting for 1.0x forward curve and have applied a conservative 10% discount rate to our NPV. RXL is currently trading with a P/NAV of 0.46x and spot NAV of $0.95/share.

Youanmi Gold Mine: Recall the DFS outlines plans for a 7-year underground gold operation producing 117kozpa (817koz LOM). Underpinned by an Ore Reserve of 674koz @ 4.8g/t Au and a mine inventory of 900koz @ 4.9g/t Au, production peaks at ~160koz in Year 6. Processing will utilise a 900ktpa mill achieving 90.8% recoveries via conventional CIL, with the Albion process applied to <10% of ore. Initial capex is A$383m with AISC of A $1,978/oz. Our model adopts a similar mine plan but with more conservative assumptions, including A$400m capex, ~A$2,100/oz LOM AISC and a slower ramp-up, with design recoveries reached 12 months after first gold. We model commissioning at Youanmi in the JunQ'27.

Market Data

52-Week Range (A$) :	0.30 - 0.62
Avg Daily Vol (000s) :	2,330.40
Shares Out. (M) :	1,393.6
Market Cap (A$M) :	766.5
Dividend /Shr (A$) :	0.00
Dividend Yield (%) :	0.0



Source: FactSet

Priced as of close of business 18 August 2026

Rox Resources (RXL-ASX) is an ASX-listed gold developer. Its flagship asset is the 100%-owned Younami Mine in WA, where there are currently 674koz @ 4.8g/t Au in Ore Reserves. The Nov'25 DFS outlines a 7-year underground mine recovering ~107kozpa for AISC of A$1,978/oz and upfront capex of A$383m.

Appendix: Important Disclosures

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Individuals identified as "Sector Coverage" cover a subject company's industry in the identified jurisdiction, but are not authoring analysts of the report.

Investment Recommendation

Date and time of first dissemination: August 18, 2026, 19:50 ET

Date and time of production: August 18, 2026, 19:18 ET

Target Price / Valuation Methodology:

Rox Resources Limited - RXL

We have modelled a potential development scenario based on the November 2025 DFS, using weighting for 1.0x forward curve, consensus and spot commodity prices, and have applied a conservative 10% discount rate to our NPV. Additionally, our NAV is risked.

Risks to achieving Target Price / Valuation:

Rox Resources Limited - RXL

Financing risks

As an exploration/pre-production company with no material income, RXL is reliant on equity and debt markets to fund development of its assets and progress its regional exploration pipeline. Accessing these markets may result in further dilution to shareholders.

Exploration risks

Exploration is subject to a number of risks and can require a high rate of capital expenditure. Risks can also be associated with conversion of Inferred Resources and lack of accuracy in the interpretation of geochemical, geophysical, drilling and other data. It is not known whether exploration will delineate further Mineral Resources, nor that the company will be able to convert the current mineral resource into minable reserves.

Operating risks

If and when in production, the company will be subject to risks such as plant/equipment breakdowns, metallurgical (meeting design recoveries within a complex flowsheet), materials handling and other technical issues. An increase in operating costs could reduce the profitability and free cash generation from the operating assets considerably and negatively impact valuation. Further, the actual characteristics of an ore deposit may differ significantly from initial interpretations which can also materially impact forecast production from original expectations.

Commodity price and currency fluctuations

As with any mining company, RXL is directly exposed to commodity price and currency fluctuations. Commodity price fluctuations are driven by many macroeconomic forces including inflationary pressures, interest rates and supply and demand factors. These factors could reduce the profitability, costing and prospective outlook for the business.

Distribution of Ratings:

Global Stock Ratings (as of 08/18/26)

Rating	Coverage Universe		IB Clients
	#	%	%
Buy	737	70.59%	27.41%
Hold	125	11.97%	8.80%
Sell	1	0.10%	0.00%
Speculative Buy	178	17.05%	57.30%
	1044*	100.0%	

*Total includes stocks that are Under Review

Canaccord Genuity Ratings System

BUY: The stock is expected to generate returns greater than 10% during the next 12 months.

HOLD: The stock is expected to generate returns from -10% to 10% during the next 12 months.

SELL: The stock is expected to generate returns less than -10% during the next 12 months.

NOT RATED: Canaccord Genuity does not provide research coverage of the relevant issuer.

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*As of January 1, 2024, the Ratings History Chart will reflect the new Canaccord Genuity Ratings System as defined above.

Risk Qualifier

SPECULATIVE: The stock bears significantly above-average risk and volatility. Investments in the stock may result in material loss.

12-Month Recommendation History (as of date same as the **Global Stock Ratings** table)

A list of all the recommendations on any issuer under coverage that was disseminated during the preceding 12-month period may be obtained at the following website (provided as a hyperlink if this report is being read electronically) http://disclosures-mar.canaccordgenuity.com/EN/Pages/default.aspx

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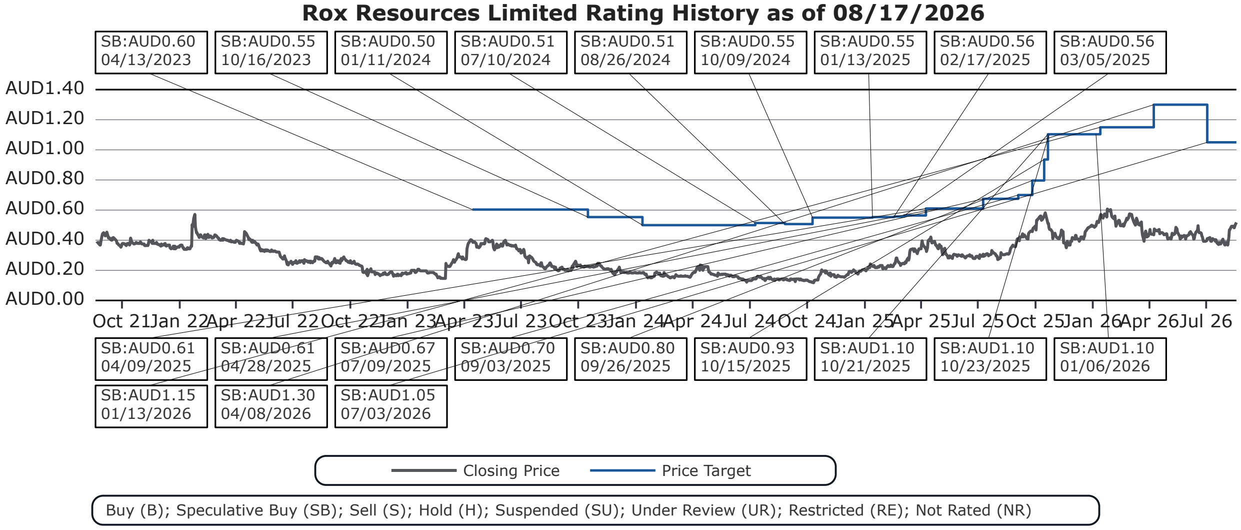
An analyst has visited the material operations of Rox Resources Limited. Full payment was received for the related travel costs.

Rox Resources Limited Rating History as of 08/17/2026



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