Rox Resources

Keep calm and Albion

3 August 2026

We initiate coverage of Rox Resources (ASX: RXL) with a Spec. Buy rating and A$0.70/sh Target Price as we expand our coverage into gold developers. RXL is developing its 100% owned Youanmi project with first gold expected mid-2027. At steady state we expect RXL to produce ~120koz pa at A$2,200/oz AISC with a ~2-year payback following a capital spend of ~A$420m. We believe the market is ascribing a significant discount to the stock given the semi-refractory nature of the Youanmi ore body, which we think is overplayed (see p.13). We therefore see asymmetric risk that will unwind as milestones are

Fully funded, high-grade and short pay-back period

- RXL is an ASX gold developer which is on track to commission its Youanmi project in WA. We forecast this asset to produce ~120koz pa at ~A$2,200/oz AISC over 7 years, through conventional underground mining and the processing of semi-refractory material.
- We estimate a project NPV of A$679m, with FCF yields of ~35% pa across the project. Youanmi is fully funded (+A$500m liquidity) with A$327m of upfront capital remaining. Given the high-grade orebody (~4.8g/t reserve), we anticipate a rapid pay-back period (~2 years).

Metallurgical risk misunderstood (p.13)

- Youanmi's gold is semi-refractory in nature. This means some of the gold requires additional known technologies (e.g. Albion Process) to be added to the process plant to improve recoveries.
- The Albion Process is a combination of ultra-fine grinding and oxidative leaching. Ultra-fine grinding alone would see recoveries of +70%. Adding partial oxidation will improve recoveries a further ~20%.
- Our due diligence coupled with that from the financing syndicates (debt and equity holders) gives us comfort that this risk is overstated. At current trading levels, the market is implying a 72% recovery (19% lower than the DFS and 14% lower than our estimates).

Initiate with Spec. Buy and A$0.70/sh target price (92% TSR)

Our A$0.70/sh valuation is based on a SOTP NAV which incorporates the life-of-mine NPV of A$679m on Youanmi. We use a 0.9x P/NAV multiple which accounts for the residual development risk.

Key Financials

Year-end June($)	FY25A	FY26E	FY27E	FY28E	FY29E
Revenue($m)	-	-	-	352.9	607.5
EBITDA($m)	(21.9)	(17.5)	(15.9)	182.2	353.7
EBIT($m)	(22.1)	(19.9)	(39.8)	137.6	305.4
Reported NPAT ($m)	(18.2)	(15.7)	(35.7)	120.8	215.8
Reported EPS(c)	-	-	-	-	-
Normalised NPAT ($m)	(18.2)	(15.7)	(35.7)	120.8	215.8
Normalised EPS(c)	-	-	-	-	-
Dividend (c)	-	-	-	-	-
Normalised ROE(%)	-	-	-	34.5	38.1

Source: OML, Iress, Rox Resources

Last Price
A$0.37
Target Price
A$0.70
Recommendation
Speculative Buy
Risk
Higher

Gold

ASX Code	RXL
52 Week Range($)	-
Market Cap ($m)	-
Shares Outstanding (m)	1,418.6
Av Daily Turnover($m)	-
3 Month Total Return (%)	-
12 Month Total Return (%)	-
Benchmark 12 Mth Return (%)	40.2
NTA FY26E(¢ per share)	15.3
Net Cash FY26E($m)	152.7

Price performance

Source: FactSet

Consensus Earnings

	FY26E	FY27E
EBITDA(C)($m)	-	-
EBITDA(OM)($m)	(17.5)	(15.9)
EPS(C)(c)	-	-
EPS(OM)(c)	-	-

Source: OML, Iress, Rox Resources

Paul Kaner
Senior Research Analyst
(07) 3214 5514
pkaner@ords.com.au

Patrick Melville
Research Associate
(07) 3214 5516
pmelville@ords.com.au

This initiation was written in conjunction with the ASX Equity Research Scheme, for which Ord Minnett will receive fees for coverage of RXL.

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Figure 14: RXL operating and financial summary (base case)

All AUD unless noted

Key details	Unit	
Target price	$/sh	0.70
Recommendation		Speculative Buy
Risk assessment		Higher
Share price	$/sh	0.37
FY27E dividend	$/sh	0.0
NAV	$/sh	0.63
Implied total return	%	92%
P/NAV	x	0.6x
Number of shares outstanding	m	1,419
Market capitalisation	M $	518
Enterprise value	M $	365

Year end to 30 Jun

Ratio metrics	Unit	FY26	FY27E	FY28E	FY29E
Earnings - adjusted	$/sh	(0.01)	(0.03)	0.09	0.15
P/E multiple	x	(33.1x)	(14.5x)	4.3x	2.4x
CFPS (CFO)	$/sh	(0.0)	(0.0)	0.1	0.2
FCFPS (CFO-capex-expl.)	$/sh	(0.0)	(0.0)	0.1	0.2
P/CF multiple	x	(17.2x)	(43.2x)	3.1x	2.0x
FCF yield	%	-6%	-2%	28%	45%
Dividends per share	$/sh	-	-	-	-
Dividend yield	%	-	-	-	-
Gearing (ND: ND+E)	%	-135%	41%	22%	-31%
Return on equity (ROE)	%	-6%	-16%	34%	38%
Return on capital (ROIC)	%	-5%	-7%	18%	26%

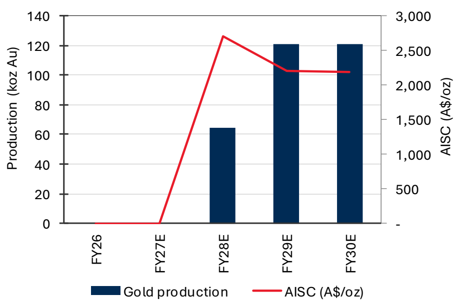
Prices & exchange rates	Unit	FY26	FY27E	FY28E	FY29E	LT - 2030E
Gold price	US$/oz	4,247	4,275	3,750	3,550	3,000
Exchange rate	AUD:USD	0.69	0.70	0.70	0.71	0.72

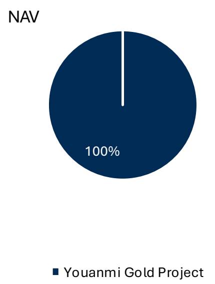
Sales, costs & guidance	Unit	FY26	FY27E	FY28E	FY29E	FY30E
Youanmi Gold Project	koz Au	-	-	64	121	121
Total	**koz Au**	**-**	**-**	**64**	**121**	**121**
C1 cash cost	$/oz	-	-	2,214	1,789	1,789
All-in sustaining cash cost	**$/oz**	**-**	**-**	**2,697**	**2,200**	**2,183**

Capex breakdown	Unit	FY26	FY27E	FY28E	FY29E	FY30E
Sustaining capex	M $	-	-	(19)	(29)	(29)
Expansionary capex	M $	(47)	(286)	(74)	-	-
Exploration	M $	(9)	(10)	(10)	(10)	(10)
Total	**M $**	**(56)**	**(296)**	**(103)**	**(39)**	**(39)**

Attributable Reserves & Resources	Moz	EV/oz
Proven/Probable Reserve (P&P)	0.67	542
Measured/Indicated (MM&I) - Inclusive	1.50	244
Inferred	0.60	607
Total (MM&I + inferred)	**2.10**	**174**

Group all-in sustaining costs, production and NAV breakdown





P&L statement	Unit	FY26	FY27E	FY28E	FY29E
Revenue	A$m	0.1	-	352.9	607.5
Operating costs	A$m	(17.6)	(15.9)	(170.7)	(253.8)
EBITDA	**A$m**	**(17.5)**	**(15.9)**	**182.2**	**353.7**
Depreciation and amortisation	A$m	(2.4)	(23.9)	(44.6)	(48.3)
EBIT	**A$m**	**(19.9)**	**(39.8)**	**137.6**	**305.4**
Other income/expenses	A$m	4.2	4.0	(16.7)	(14.8)
EBT	**A$m**	**(15.7)**	**(35.7)**	**120.8**	**290.6**
Taxes	A$m	-	-	-	(74.8)
Net Income - adjusted	**A$m**	**(15.7)**	**(35.7)**	**120.8**	**215.8**
Adjustments	A$m	-	-	-	-
Net Income - reported	**A$m**	**(15.7)**	**(35.7)**	**120.8**	**215.8**
Weighted average diluted shares	m	1,418.6	1,418.6	1,418.6	1,418.6

Cash flow statement	Unit	FY26	FY27E	FY28E	FY29E
Cash flow from operating activities	A$m				
Receipts from customers	A$m	-	-	352.9	607.5
Payments to suppliers	A$m	-	-	(154.9)	(237.9)
Taxes paid	A$m	-	-	-	(74.8)
Non recurring/other	A$m	(30.1)	(12.0)	(32.7)	(30.8)
Net operating cash flow	A$m	**(30.1)**	**(12.0)**	**165.4**	**264.0**
Cash flows from investing activities					
Capital expenditure	A$m	(47.1)	(286.0)	(93.2)	(28.5)
Exploration	A$m	(9.0)	(10.0)	(10.0)	(10.0)
Other	A$m	(22.1)	10.0	10.0	10.0
Net investing cash flow	A$m	**(78.2)**	**(286.0)**	**(93.2)**	**(28.5)**
Cash flows from financing activities					
Equity issues (net of costs)	A$m	218.0	-	-	-
Net borrowings	A$m	-	257.4	27.7	(56.1)
Dividends paid & other	A$m	(7.5)	(0.3)	(0.3)	(0.3)
Net financing cash flow	A$m	**210.5**	**257.1**	**27.4**	**(56.4)**
Increase /(decrease) in cash	A$m	102.2	(40.9)	99.6	179.1
Cash at end of year	A$m	**152.7**	**111.8**	**211.3**	**390.4**
Operating free cash flow	A$m	(77.2)	(298.0)	72.2	235.5
Free cash flow	A$m	**(108.3)**	**(298.0)**	**72.2**	**235.5**

Net asset value (attrib)	($M)	A$/sh	NAV (%)
Operating value			
Youanmi Gold Project	679.4	0.48	100%
Total	679.4	0.48	100%
Exploration (assets)	100.4	0.07	
Cash, bullion and investments	152.7	0.11	
Corporate G&A	(35.2)	(0.02)	
Debt	0.0	0.00	
Total net asset value	897.3	0.63	
P/NAV		**0.58x**	

Balance sheet	Unit	FY26	FY27E	FY28E	FY29E
Cash & equivalents	A$m	152.7	111.8	211.3	390.4
Other current assets	A$m	1.2	1.2	1.2	1.2
PP&E & mining interests	A$m	120.9	396.2	458.2	438.8
Other long term assets	A$m	10.1	10.1	10.1	10.1
Total assets	A$m	**284.8**	**519.2**	**680.8**	**840.5**
Current liabilities	A$m	9.1	9.1	9.1	9.1
Long term debt	A$m	0.0	270.1	310.9	254.8
Other long term liabilities	A$m	10.1	10.1	10.1	10.1
Total liabilities	A$m	**19.2**	**289.3**	**330.1**	**274.0**
Shareholder equity	A$m	265.6	229.9	350.7	566.5
Total liabilities & shareholder equity	A$m	**284.8**	**519.2**	**680.8**	**840.5**

Source: Company reports, OMLe.

Figure 15: RXL operating and financial summary – SPOT SCENARIO

All AUD unless noted

Key details	Unit	
SPOT SCENARIO		
Risk assessment		Higher
Share price	$/sh	0.37
FY27E dividend	$/sh	0.0
NAV	$/sh	1.06
P/NAV	x	0.35x
Number of shares outstanding	m	1,419
Market capitalisation	M $	518
Enterprise value	M $	365

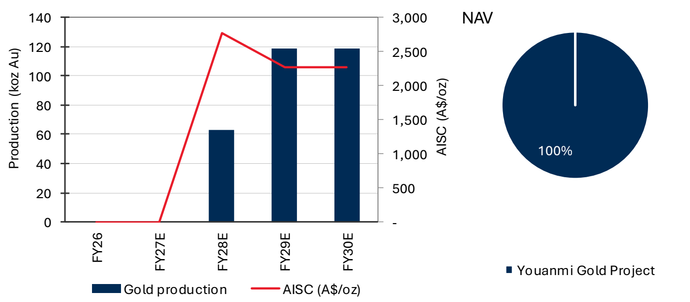
Prices & exchange rates	Unit	FY26	FY27E	FY28E	FY29E	LT - 2030E
Gold price	US$/oz	4,162	4,162	4,162	4,162	4,162
Exchange rate	AUD:USD	0.70	0.70	0.70	0.70	0.70

Sales, costs & guidance	Unit	FY26	FY27E	FY28E	FY29E	FY30E
Youanmi Gold Project	koz Au	-	-	63	119	119
Total	**koz Au**	**-**	**-**	**63**	**119**	**119**
C1 cash cost	$/oz	-	-	2,261	1,827	1,827
All-in sustaining cash cost	**$/oz**	**-**	**-**	**2,765**	**2,275**	**2,275**

Capex breakdown	Unit	FY26	FY27E	FY28E	FY29E	FY30E
Sustaining capex	M $	-	-	(19)	(29)	(29)
Expansionary capex	M $	(47)	(286)	(74)	-	-
Exploration	M $	(9)	(10)	(10)	(10)	(10)
Total	**M $**	**(56)**	**(296)**	**(103)**	**(39)**	**(39)**

Attributable Reserves & Resources	Moz	EV/oz
Proven/Probable Reserve (P&P)	0.67	542
Measured/Indicated (MM&I) - Inclusive	1.50	244
Inferred	0.60	607
Total (MM&I + inferred)	**2.10**	**174**

Group all-in sustaining costs, production and NAV breakdown



Net asset value (Attrib)	($M)	A$/sh	NAV (%)
Operating value			
Youanmi Gold Project	1,285.0	0.91	100%
Total	1,285.0	0.91	100%
Exploration (assets)	100.4	0.07	
Cash, bullion and investments	152.7	0.11	
Corporate G&A	(37.8)	(0.0)	
Debt	-	-	
Total net asset value	1,500.3	1.06	
P/NAV		**0.35x**	

Year end to 30 Jun

Ratio metrics	Unit	FY26	FY27E	FY28E	FY29E
Earnings - adjusted	$/sh	(0.0)	(0.0)	0.1	0.2
P/E multiple	x	(33.1x)	(14.5x)	3.7x	1.9x
CFPS (CFO)	$/sh	(0.0)	(0.0)	0.1	0.2
FCFPS (CFO-capex-expl.)	$/sh	(0.0)	(0.0)	0.1	0.2
P/CF multiple	x	(17.2x)	(43.2x)	2.8x	1.6x
FCF yield	%	-6%	-2%	32%	57%
Dividends per share	$/sh	-	-	-	-
Dividend yield	%	-	-	-	-
Gearing (ND: ND+E)	%	-135%	41%	18%	-50%
Return on equity (ROE)	%	-6%	-16%	38%	43%
Return on capital (ROIC)	%	-5%	-7%	20%	30%

P&L statement	Unit	FY26	FY27E	FY28E	FY29E
Revenue	A$m	0.1	-	373.4	702.2
Operating costs	A$m	(17.6)	(15.9)	(171.4)	(257.1)
EBITDA	A$m	**(17.5)**	**(15.9)**	**201.9**	**445.1**
Depreciation and amortisation	A$m	(2.4)	(23.9)	(44.6)	(48.3)
EBIT	A$m	**(19.9)**	**(39.8)**	**157.3**	**396.8**
Other income/expenses	A$m	4.2	4.0	(16.6)	(13.7)
EBT	A$m	**(15.7)**	**(35.7)**	**140.6**	**383.2**
Taxes	A$m	-	-	-	(108.5)
Net Income - adjusted	A$m	**(15.7)**	**(35.7)**	**140.6**	**274.7**
Adjustments	A$m	-	-	-	-
Net Income - reported	A$m	**(15.7)**	**(35.7)**	**140.6**	**274.7**
Weighted average diluted shares	m	1,418.6	1,418.6	1,418.6	1,418.6

Cash flow statement	Unit	FY26	FY27E	FY28E	FY29E
Cash flow from operating activities	A$m				
Receipts from customers	A$m	-	-	373.4	702.2
Payments to suppliers	A$m	-	-	(155.6)	(241.2)
Taxes paid	A$m	-	-	-	(108.5)
Non recurring/other	A$m	(30.1)	(12.0)	(32.6)	(29.7)
Net operating cash flow	A$m	**(30.1)**	**(12.0)**	**185.1**	**322.9**
Cash flows from investing activities					
Capital expenditure	A$m	(47.1)	(286.0)	(93.2)	(28.5)
Exploration	A$m	(9.0)	(10.0)	(10.0)	(10.0)
Other	A$m	(22.1)	10.0	10.0	10.0
Net investing cash flow	A$m	**(78.2)**	**(286.0)**	**(93.2)**	**(28.5)**
Cash flows from financing activities					
Equity issues (net of costs)	A$m	0.0	-	-	-
Net borrowings	A$m	-	257.4	27.7	(56.1)
Dividends paid & other	A$m	210.5	(0.3)	(0.3)	(0.3)
Net financing cash flow	A$m	**210.5**	**257.1**	**27.4**	**(56.4)**
Increase /(decrease) in cash	A$m	102.2	(40.9)	119.4	237.9
Cash at end of year	A$m	**152.7**	**111.8**	**231.1**	**469.1**
Operating free cash flow	A$m	(77.2)	(298.0)	92.0	294.4
Free cash flow	A$m	**(108.3)**	**(298.0)**	**92.0**	**294.4**

Balance sheet	Unit	FY26	FY27E	FY28E	FY29E
Cash & equivalents	A$m	152.7	111.8	231.1	469.1
Other current assets	A$m	1.2	1.2	1.2	1.2
PP&E & mining interests	A$m	120.9	396.2	458.2	438.8
Other long term assets	A$m	10.1	10.1	10.1	10.1
Total assets	A$m	**284.8**	**519.2**	**700.6**	**919.2**
Current liabilities	A$m	9.1	9.1	9.1	9.1
Long term debt	A$m	0.0	270.1	310.9	254.8
Other long term liabilities	A$m	10.1	10.1	10.1	10.1
Total liabilities	A$m	**19.2**	**289.3**	**330.1**	**274.0**
Shareholder equity	A$m	265.6	229.9	370.5	645.2
Total liabilities & shareholder equity	A$m	**284.8**	**519.2**	**700.6**	**919.2**

Source: Company reports, OMLe.

Summary of investment thesis

We initiate research coverage on Rox Resources with a Speculative Buy recommendation and a 12-month target price of A$0.70/sh, representing ~92% upside to the current share price. RXL is a fully funded gold developer advancing its 100%-owned Youanmi Gold Project in Western Australia's Murchison region. Construction is underway with first gold scheduled from its ~1Mtpa processing facility in the September quarter of 2027. Ore will be sourced from a single high-grade (~4.8g/t) underground deposit (674koz Reserves, 2,101koz Resources). We forecast Youanmi to produce ~117koz pa at A$2,197/oz AISC for 7 years with apparent extension potential.

Despite this progress, we think the market continues to apply significant discount due to the metallurgical risk associated with the semi-refractory nature of Youanmi's ore body. We think this risk is overplayed and see a favourable entry point for investors ahead of multiple re-rating catalysts.

Figure 16: Location map

Source: Company reports

Factors supporting our investment thesis include:

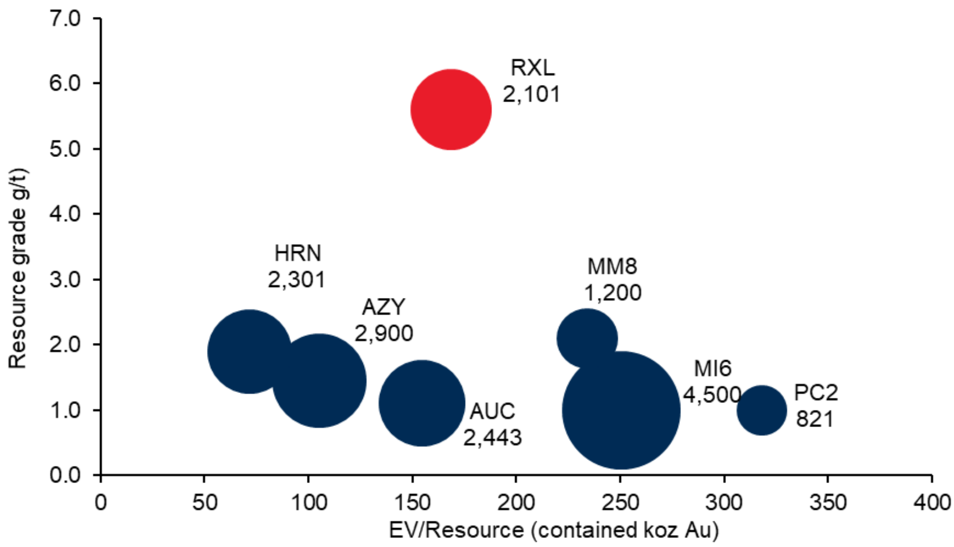
- **Well funded with attractive economics:** RXL has ~A$500m of available liquidity to deliver on the remaining A$327m of upfront capital. In our view, there is +A$150m available for any further inflationary impacts (noting most capital items are fixed price) or working capital requirements due to a delay in ramp-up to nameplate levels. Given the high-grade nature of the ore body (4.8g/t) and current gold price (A$5,883/oz) we are anticipating a rapid payback period (~ 2 years). RXL currently trades at a significant discount to comparable peers at 0.6x P/NAV and A$169/oz on an EV/Resource basis. In our view, the current price either implies a US$2,208/oz gold price (47% discount to spot) or 72% processing recovery (19% lower than DFS) into perpetuity. Our base case assumes recoveries of 88.1% (vs 90.8% DFS), average feed grade of 4.6 g/t (vs 4.9 g/t DFS) and pre-production capex 10% above the DFS, deliberately conservative inputs that generate a post-tax NPV of A$679m.

Well funded: A$500m liquidity

High grade: 4.9g/t

120koz pa for at least 7 years

Figure 17: RXL screens attractively vs peers



Source: Company reports, OMLe.

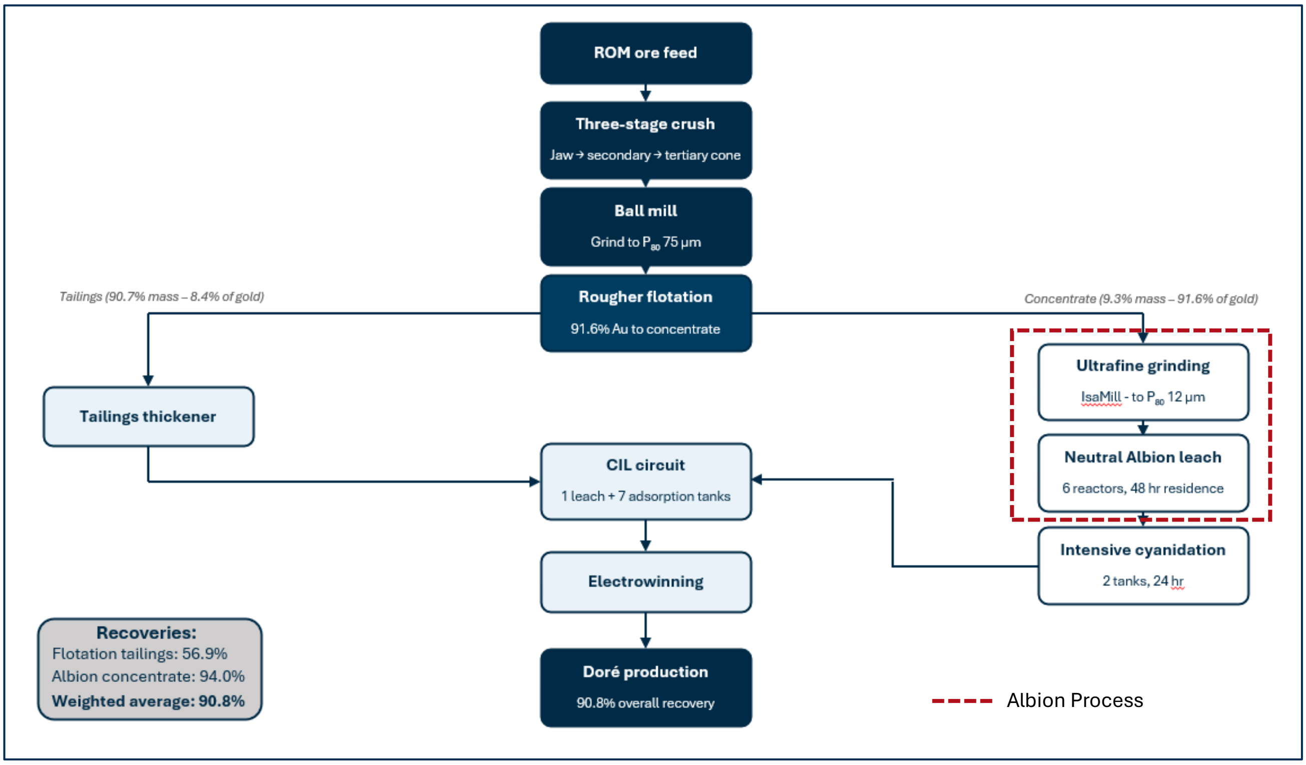
- **Discounted due to refractory ore body:** We believe RXL trades at a significant discount given the semi-refractory nature of the Youanmi ore body. We believe this risk to be overstated. Metallurgical test work shows that the ~75-80% of the gold is easily extractable. The remaining ~20-25% is locked in solid solution in the arsenopyrite (i.e. refractory). What we believe to be misunderstood is:
    - **Only a small proportion of the gold is associated with the arsenopyrite (25%) – i.e. requires more complicated extraction techniques.** 75-80% of the gold at Youanmi is easily extractable despite there being a presence of sulphides (e.g. pyrite which makes it semi-refractory). Gold associated with pyrite is not locked (i.e. within the lattice) and can be liberated via ultrafine grinding (straightforward – little metallurgical risk). The remaining gold (20-25%) is locked in solution with the arsenopyrite which requires partial oxidation following ultrafine grinding. For completeness, we note that both sulphide minerals (pyrite and arsenopyrite) flow through to the Albion Leach (Figure 5) and it is mainly just the arsenopyrite component (20-25%) that requires this partial oxidation step.

Complexity of refractory material misunderstood

Albion Process: Ultrafine grinding + oxidation at atmospheric pressure

We've gained comfort on the metallurgy of this deposit (as evident in our 88.1% recovery assumption) through our own due diligence / discussions with Glencore as well as the extensive due diligence completed by four syndicate banks and large equity holders.

Figure 18: Simplified processing flowsheet



Source: Company reports, OMLe.

- **Further upside through resource conversion and exploration:** The DFS highlights a 7 year mine plan utilising 42% of the total underground mineral resource. A larger reserve base may be beneficial in providing comfort to investors; however, the nature of the mineralisation dictates that this is not reasonable until an underground drill drive can be established to ensure drill angle / economics. As a result, the company has a smaller Reserve (674koz), with material resources outside of this (total measured and indicated resources: ~1,499koz Au). We find that this optionality of a large resource base and the ongoing conversion to reserves is often misunderstood by some investors with a mine-life investment cut-off parameter. We believe the next iteration of the resource / reserve statement should show modest growth, but the one thereafter will highlight the full benefit of having multiple underground rigs. This should provide investors sufficient evidence of RXL's ability to continually convert resources, replenish reserves and improve the overall mineral inventory. We currently assume a 7-year mine life with any additional ounces caught in our exploration SOTP (A$100m).

Only 42% of resource included in current mine plan

Catalysts

We see the following key catalysts supporting progressive re-rating of RXL toward our target price over the next 12 months:

- **Remaining contract awards (Q3 2026):** Pricing on the oxygen plant and power supply contracts is tracking in line with the DFS which should provide some additional certainty alongside the already executed contract with Interquip to construct the processing plant.
- **Resource conversion drilling results (H2 CY26 – H1 CY27):** Infill drilling at United North is underway targeting conversion of inferred to indicated ounces. Positive results would extend the mine plan and add value above our current base with no additional capital outlay required.
- **First gold (mid CY27):** We view the transition from a developer to a producer as a material re-rating event. Pending successful commissioning of the plant and ramp up period, we would expect a material re-rating once the market stops discounting the execution risk and starts pricing RXL an operating mine.

Valuation

Our A$0.70/share target price is based on a blended P/NAV and P/CF valuation approach.

We apply a 0.9x P/NAV multiple, in line with developer peers and reflective of residual execution risk ahead of first gold. We note there is scope to migrate this multiple toward producing peer levels as RXL further delivers on key milestones through the back half of 2026 and into 2027.

For our P/CF valuation, we adopt a 12-month look-forward approach to capture the cashflows (leveraged cashflows from operations less sustaining capex) once RXL starts producing first gold. We apply a 7x multiple on these cashflows (in line with mine life).

See page 19 for more information.

Risks

Key risks to our investment thesis include:

- **Metallurgical and processing risk:** While the Albion Process is commercially proven and RXL have partially de-risked the project through testing to confirm the flowsheet, any underperformance is likely to result in a material decrease in recoveries which would impair cashflows.
- **Construction cost and schedule risk:** The fixed-price EPC contract with Interquip reduces cost risk for the processing plant. However, we retain a 10% contingency to DFS capex of A$383m (OMLe: A$421m) for remaining contracts and site infrastructure, though recent announcements suggest this is increasingly conservative.
- **Commodity price risk:** Our base case assumes a long-term gold price of US$3,000/oz. A sustained decline would reduce project cashflows and impair our estimate of RXL's NAV materially.
- **Exploration and resource risk:** Approximately 20% of the production target is underpinned by Inferred resources. While early drilling results are encouraging, there is no guarantee that Inferred material will convert to Indicated or Reserve classification.
- **Single mine risk:** Having one mine increases the reliance on performance from that operation with limited other levers to pull should the asset underperform.

Outlook

We incorporate some conservatism into our estimates versus the DFS assumptions across recoveries and capital costs, reflecting both the current inflationary environment and the inherent ramp-up risk associate with a developer.

With ~92% upside to our 12-month target price and a project that reaches a net cash position by Q2 FY29, we believe the potential re-rating from developer to producer should outweigh lingering investor concerns around metallurgical complexity and ramp-up. We anticipate RXL to hit commercial production in Q1 FY28, ramping to 950ktpa through FY28 and into FY29. This sees our production estimates hit nameplate levels in FY29 (117koz pa) with steady state EBITDA / FCF of A$300m / A$220m per year using our commodity price estimates.

Environmental, Social and Governance considerations

RXL appears to have sound ESG practices in place guided by globally accepted frameworks. This is reflected in its recent performance, which included zero environmental incidents, zero lost-time injuries and zero policy breaches. Noting that the development phase ahead remains a high risk phase for RXL.

RXL's key initiatives, practices and outcomes on its ESG priorities are set out below.

Environment

RXL's specific environmental initiatives include the following:

- **Emissions & climate:** RXL measures and monitors Scope 1 and Scope 2 emissions and integrates emissions and energy considerations into feasibility studies and project planning. It is in the early stages of aligning with the Task Force on Climate-Related Financial Disclosures framework, initially focusing on identifying climate-related risks relevant to mine development and tracking greenhouse gas emissions, with formal alignment intended in coming years.

- **Environmental compliance:** RXL's approach includes identifying, assessing, mitigating and monitoring the environmental impacts of its activities, operating in compliance with all regulatory requirements and maintaining relationships with government departments and specialist consultants.

Social

RXL's specific social initiatives include the following:

- **Community art involvement:** RXL funded and commissioned a community art project in partnership with Wirnda Barna Art Centre and Mount Magnet District High School in WA. The project brought together 8 established artists (producing 11 works) and 23 students (producing 18 works), with RXL purchasing the full set of artworks. The project is a strong example of the mining sector supporting regional and remote communities, helping young participants build confidence, develop skills, and strengthen cultural connections to country.
- **Health, safety and wellbeing:** Health, safety and wellbeing is governed by the Board. In FY25, RXL achieved zero lost-time injuries and zero total recordable injuries.
- **Employee development:** RXL supports annual performance and career development reviews, with all employees receiving a review in FY25. As at 30 June 2025, RXL employed 12 full-time and 1 part-time employee, up from 7 full-time and 1 part-time in the prior year as the Youanmi project advances toward development.
- **Economic contribution:** In FY25, RXL paid A$2.9 million in wages, salaries and superannuation and directed over A$22.4 million in payments to Western Australian-based suppliers and contractors, with these figures expected to increase materially as Youanmi progresses.

Governance

RXL's specific governance initiatives include the following:

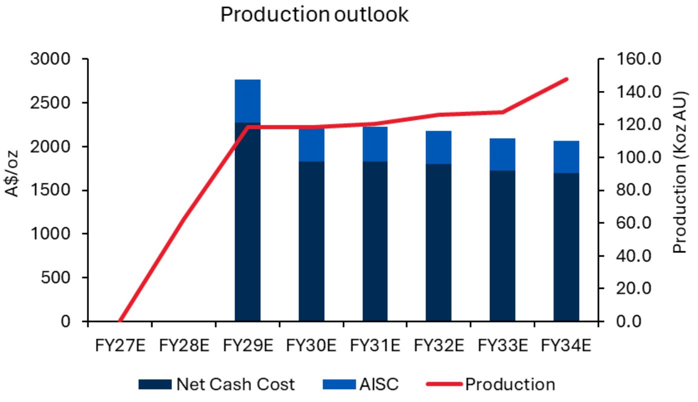
- **Board structure & remuneration:** RXL has a five-member Board comprising Non-Executive Chairman Stephen Dennis, CEO & Managing Director Phillip Wilding, Non-Executive Directors Nathan Stoitis, David Boyd and Alan Rule. The aggregate Non-Executive Director fee pool is capped at A$400k pa. The Board has separately constituted Audit, Nomination and Remuneration Committees.
- **Senior leadership team & KPIs:** Short-term incentive payments for Senior Executives are tied to operational KPIs including exploration success, project development progress, capital raise outcomes, risk management and cash flow sustainability. Long-term incentives are delivered through performance rights. These include: Tranche 1 (Expiring 31 December 2028) - completion of plant construction and commencement of ore Commissiong at Youanmi; Tranche 2 (Expiring 31 December 2029) -achieving commercial production and hitting LOM annualised gold production; Tranche 3 (Expiring 31 December 2030) - tied to

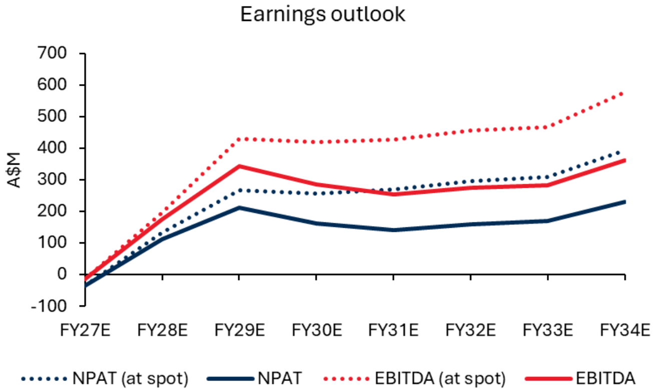
long-erm operational performance, reserve expansion metrics and continuous executive service. In FY25, STI outcomes were supported by completion of the Youanmi PFS, drilling campaigns delivered on time and under budget, capital raises and commencement of dewatering.

- **Executive remuneration:** Remuneration for key management personnel includes fixed remuneration, short-term incentives and performance rights. The Remuneration Committee reviews compensation arrangements periodically by reference to market conditions. At 30 June 2025, the CEO & MD held 100,000 ordinary shares and 12,000,000 performance rights, while the Non-Executive Chairman held 2,330,891 ordinary shares and 1,000,000 performance rights.
- **Internal controls & ethics:** RXL complies with the ASX Corporate Governance Council's Principles and Recommendations. Governance practices are supported by corporate policies and standard operating procedures provided to all employees and contractors. In FY25, RXL recorded zero policy breaches or non-compliance notices.
- **Risk management:** The full Board is responsible for identifying risks and opportunities and ensuring management's objectives are aligned with the Board's risk appetite. The Board approves a strategic plan to meet stakeholder needs and monitors performance against Board-approved budgets. Key risks include the inherent uncertainty of mineral exploration and development, feasibility study outcomes, regulatory approvals and commodity price movements.

Rox Resources key charts

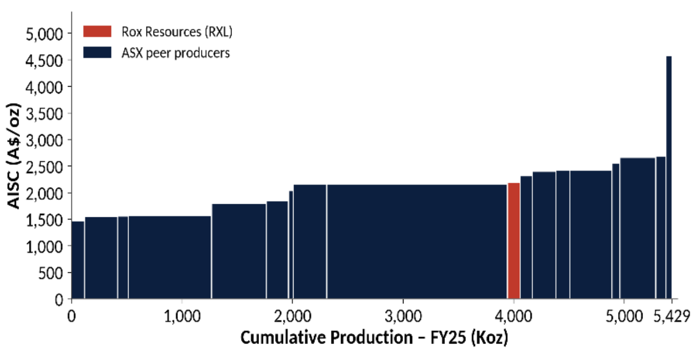
Figure 19: Production, AISC (LHS) and earnings outlook (RHS)





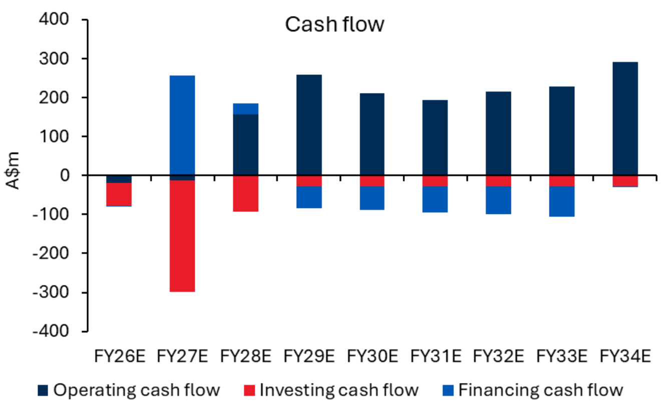
Source: Company reports, OMLe.

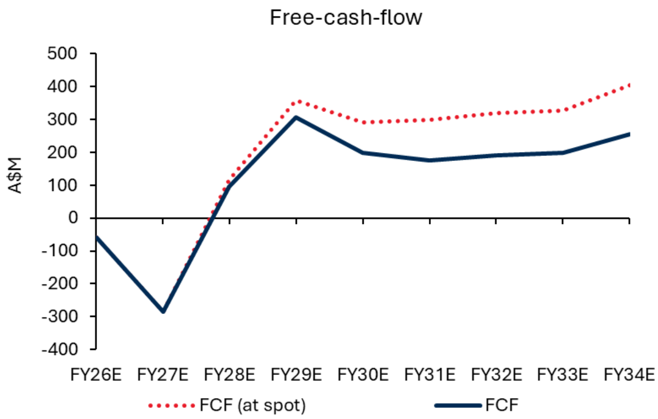
Figure 20: Cost curve distribution (LHS) and current NAV assumptions (RHS)



Source: Company reports, OMLe.

Figure 21: OML cash flow (LHS) and free cash flow (RHS)





Source: Company reports, OMLe.

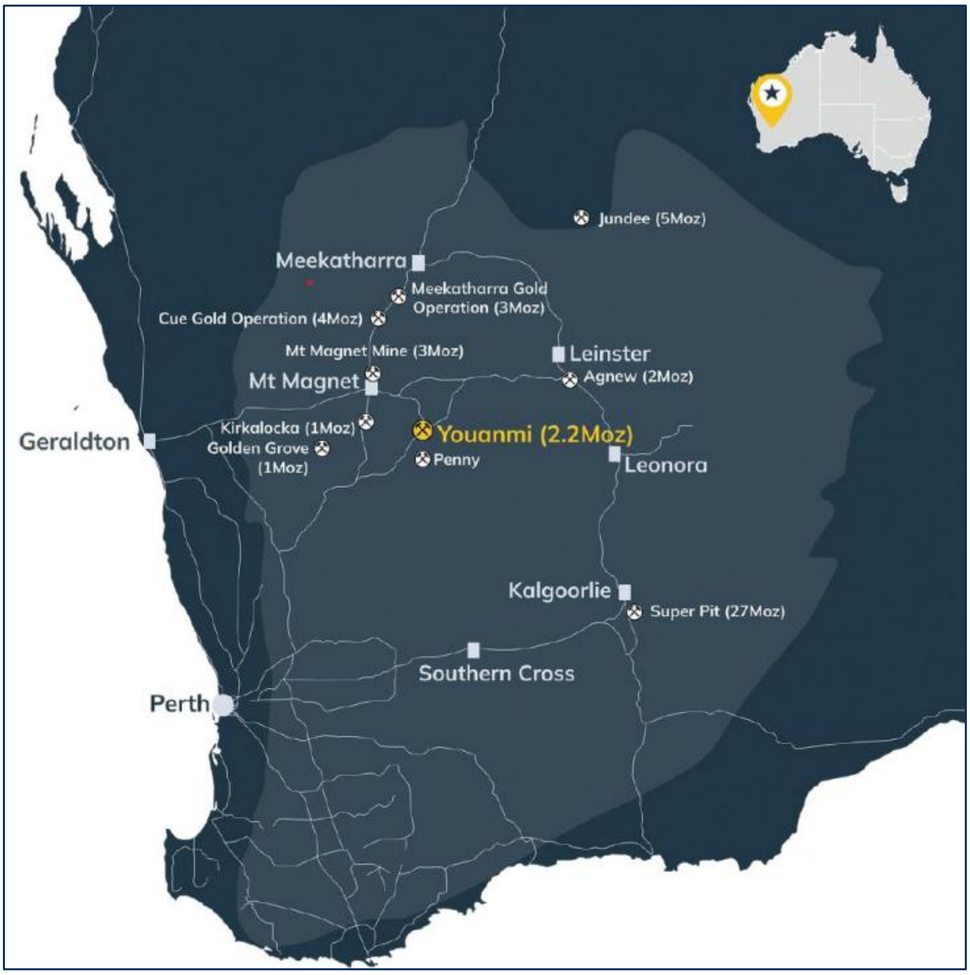
Introduction to Rox Resources

Rox Resources is a WA-based gold exploration and development company with its key Youanmi Gold Project located ~480km north-east of Perth in the Sandstone Shire (East Murchison) of WA. The closest town - Mount Magnet, lies around 50km to the north-west, with the project accessible via the north from the sealed Mount Magnet to Sandstone Road, then via the unsealed Youanmi Road for the remaining distance.

A small airstrip exists at Youanmi, though workers will access the mine on a fly-in-fly-out basis utilising a larger airstrip at Ramelius Resources' Penny mine 30km to the south of Youanmi. Youanmi is also accessible from the South via the Paynes Find to Sandstone Road.

RXL listed on the ASX on 27 April 2004

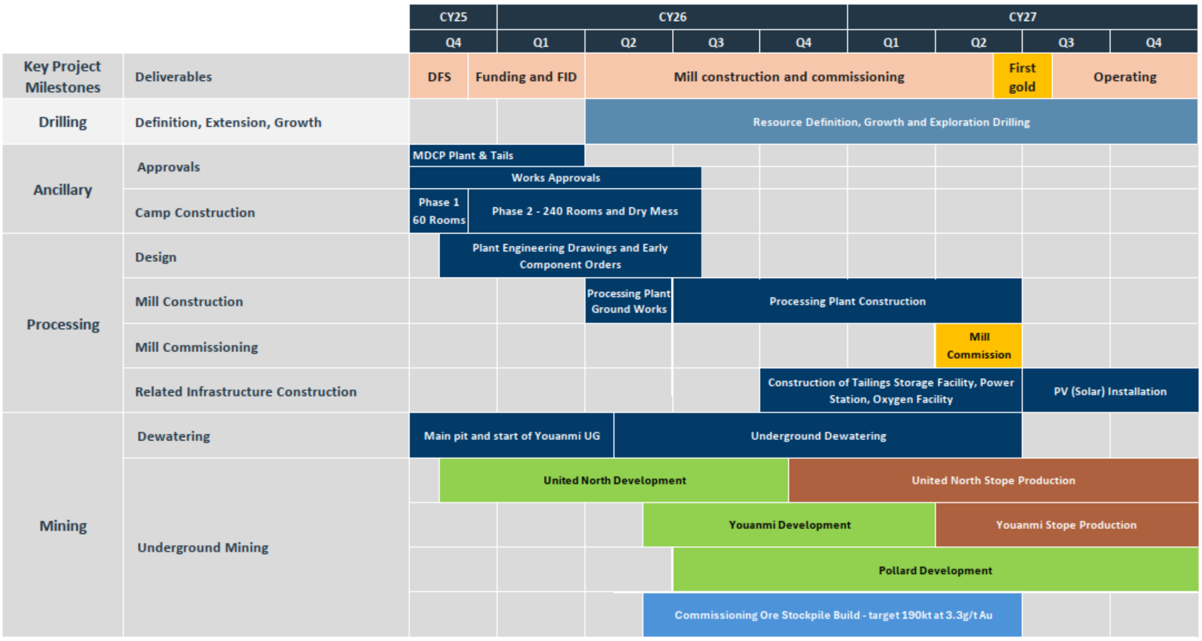
Figure 22: Location of the Youanmi Gold Project



Source: Company reports, OMLe.

Youanmi has a long history of gold mining dating back to 1908, though most recently as an underground operation from 1995 to 1997 under Gold Mines of Australia ('GMA'). Operations were halted at a time where gold price was trading at around A$400/oz, with GMA completing three of the mine's planned eight years of life. Under GMA and prior owners, Youanmi has milled approximately 3.8Mt at 5.4g/t to produce around 667koz of gold.

Figure 23: Youanmi Gold Project timeline



Source: Company reports, OMLe.

Three factors behind our positive investment thesis

#1 Attractive metrics and fully funded

RXL is currently trading at 0.6x P/NAV, and A$169/oz on an EV/Resource basis which is a discount to comparable peers (Figure 4). In our view, the current trading implies either a 72% recovery or US$2,208/oz gold price into perpetuity. We think this is an overly punitive assessment of a project that is fully funded (A$350m debt, A$150m equity) and has undergone five campaigns of test work that have confirmed the flowsheet as described on page 14. We believe there is a valuation gap that has scope to materially narrow as RXL progresses through development milestones.

Our base case assumes more conservative recoveries (88.1% OMLe vs 90.8% DFS) of that used in the DFS, slightly lower feed grades (4.6g/t OMLe vs 4.9g/t DFS) and throughput consistent with the DFS. Under these assumptions, we estimate a post tax NPV of A$679m.

#2 Youanmi metallurgy – keep calm and Albion

Gold ore broadly falls into two categories: free-milling and refractory, with these terms describing how easily the gold can be extracted from the ore. Simple gravity techniques or direct cyanidation are typical free-milling extraction examples because the gold is exposed and unencumbered.

Refractory ore is where the gold is trapped in a mineral structure (like sulphides). Processing refractory ore where additional pre-treatment steps have not been taken prior to traditional leaching via CIL will yield lower recoveries as cyanide cannot reach the gold locked inside the sulphide minerals. Therefore, extra pre-treatment step(s) are required to extract the gold from the sulphide.

The Youanmi ore body hosts free-milling gold (~55%), semi-refractory gold (~20%) and refractory gold (up to 25%). In this case, the semi-refractory gold component is associated with the pyrite (not locked in solution) and the refractory gold component is associated with the arsenopyrite (locked in solution).

The gold that is associated with the pyrite is not locked in solution. It therefore requires a relatively straightforward pre-treatment step where the gold needs to be physically exposed through ultra-fine grinding (i.e. the first half of the Albion Process).

The gold that is associated with the arsenopyrite is locked in solution. No amount of fine grinding will work because there is no discrete gold grain to expose. In this case, you must chemically destroy the host mineral (oxidise the sulphide) to release the gold (i.e. the second half of the Albion Process).

RXL have adopted the Albion Process which combines both pre-treatment halves (ultra fine grind and partial oxidation) into a single flowsheet to improve recoveries.

Why Albion

A summary of the four main commercialised pretreatment processes is presented below:

Figure 24: Refractory ore processing method comparison table

Processing method	Roasting	Pressure oxidation (POX)	Albion Process	Bacterial oxidation
Capital intensity	High	High	Low (relative to POX)	Low-medium
Feed variability tolerance	Medium - mineralogy swings (sulpher/carbon) affect combustion stability	Medium	High - oxygen input and residence adjusted to suit feed	Low - feed variability caused operational problems at Youanmi under previous ownership
Oxidation control	Full oxidation (roasting drives sulphides to completion)	Tends towards full oxidation	Partial oxidation precisely controlled - only 60% required an Youanmi	Difficult to control precisely
Ramp-up	Slow - multi-stage circuit	Medium	Fast - simple oxygen transfer system and established IsaMill technology	Slow - bacterial culture must be established
Suitability to Youanmi	Low - High capex + possible permitting burden due to arsenic levels	Low - high capital intensity and scale requirements	Higher - FID taken March 2026	Low - feed variability is a known weakness at Youanmi

Source: Company reports, OMLe.

RXL has selected the Albion Process largely because Youanmi's refractory gold portion (~up to 25%) only requires partial oxidation unlike other refractory ore bodies that require intensive full-oxidation routes such as pressure oxidation ('POX').

The ultrafine grinding creates an exceptionally large surface area on the sulphide particles, allowing atmospheric oxidation with oxygen injection to proceed rapidly without high pressure, high temperature, or a living culture. Importantly, only 65-70% oxidation of the concentrate is required to achieve greater than 94% gold recovery on the refractory stream.

Feed variability is managed simply by adjusting oxygen input and residence time (how long the concentrate spends inside the leach reactors). Ramp-up is faster, capital intensity is materially lower than pressure oxidation, and the process can be dialled in with a precision suited for variable sulphur levels.

POX achieves high recoveries but requires high pressure and temperatures. Upfront capital required is high and only economical at a scale well beyond Youanmi's production profile.

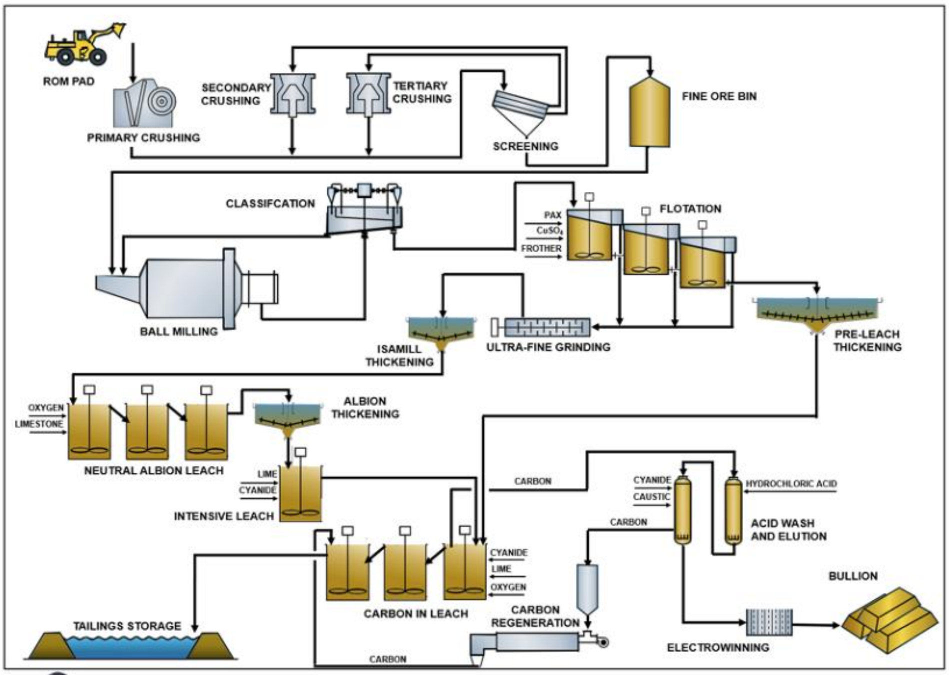
RXL's process flowsheet

RXL's proposed flowsheet (simplified version shown in Figure 5 on page 14) handles both streams in a single integrated circuit.

The full ore feed is crushed, ground finely in a ball mill, and fed to a flotation circuit which concentrates the sulphide fraction into around 9% of total mass though carries 91.6% of the gold in the feed.

The non-sulphide fraction (i.e, the flotation tailings - being 90.7% of total mass) are thickened and fed directly to CIL. The concentrate takes a different path involving ultrafine grinding in an IsaMill to 12 microns (one-sixth the width of a human hair) to expose the gold locked in the sulphide minerals, before being oxidised in the Albion leach circuit for over 48 hours to liberate that gold. The two streams then recombine in a shared CIL circuit for final gold recovery.

Figure 25: Youanmi processing flow chart



Source: Company reports

Learning from history – improving on it

Under previous operations, GMA operated Youanmi as an underground mine with a refractory processing circuit on this exact ore body from 1995 to 1997, achieving average gold recoveries of 87.5% using bacterial oxidation – a process that relies on a living microbial culture to break down sulphide minerals. It works, albeit it is a sensitive process due to the bacteria requiring tightly controlled temperature, pH and nutrient conditions to remain productive, and any significant variation in feed grade or ore type can disrupt the culture and impair recoveries.

The operation ceased in 1997 at a time when the gold price was around A$400–450/oz, a level that made continued mining uneconomic. Public sources don't indicate a metallurgical failure of bacterial oxidation itself - i.e, the closure is consistently attributed to prevailing gold prices rather than processing performance.

GMA set an important historical precedent through confirming that the ore responds well to oxidative treatment and that only partial oxidation is required to unlock the gold (ie, the sulphide only needs to be cracked open rather than fully dissolved to release the gold) – leading to lower reagent consumption, energy usage and a smaller oxidation circuit that would otherwise be required.

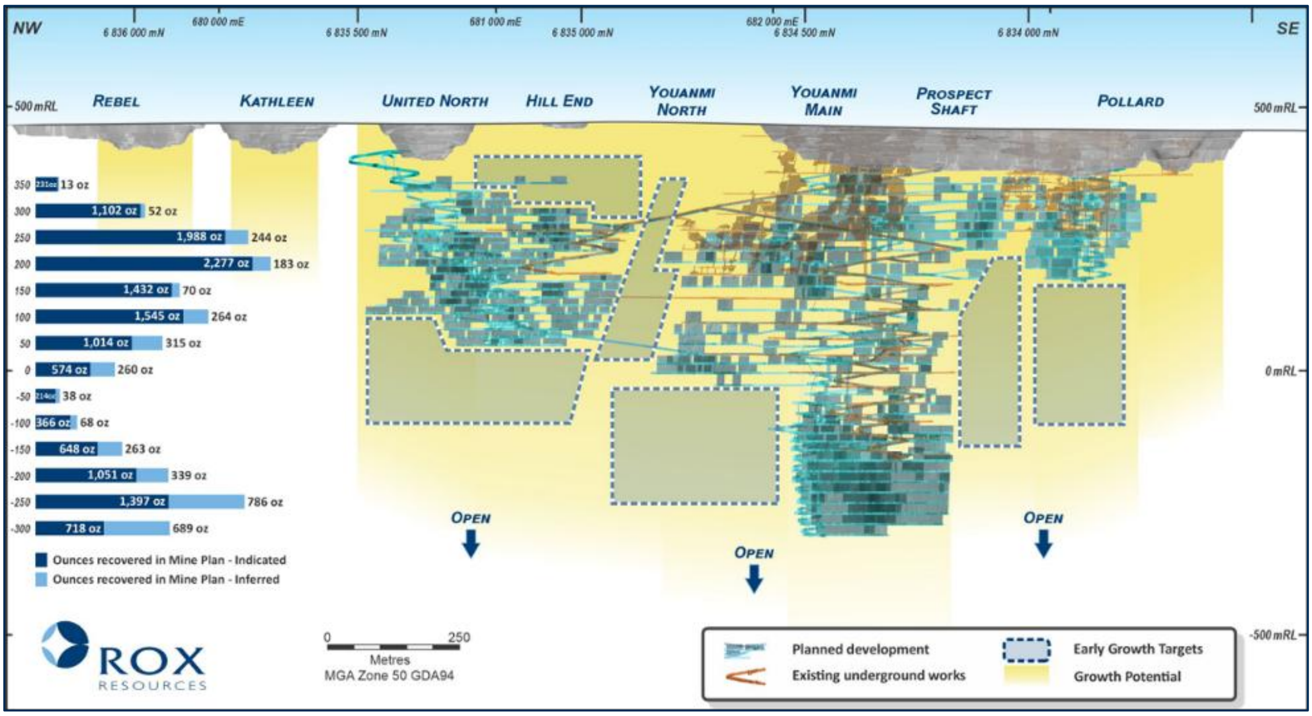
#3 Further upside through expansion and/or exploration

The current DFS does not capture the full potential of the 2.1Moz resource and future additions. The current 7-year mine plan captures only 42% of the total underground mineral resource. This excludes significant inventory that will likely be included in due course once RXL increases the amount of UG drill rigs (post camp-expansion) to improve the mineral inventory confidence with better drill angles.

The reserve and resource base is open down dip and along strike, and the mineralised sheer zone has been traced for a total strike length of around 2km, the majority of which remains insufficiently drilled to support reserve classification.

Importantly, the United North parallel zone has only been delineated to shallow depths, while the Main Lode extends to over 1km below surface. Drilling from the United North decline – already underway as part of early works, is targeting near-surface resource conversion in the area, which the DFS notes would assist in shortening the underground ramp up period and reducing the payback period of the project. We view the conversion of the inferred ounces as the most proximate re-rating catalyst, requiring no additional capital above what is already budgeted.

Figure 26: Growth target areas



Source: Company reports, OMLe.

Near-mine growth – multiple drill targets within the existing infrastructure footprint

Beyond resource conversion, the DFS identifies several near-mine growth targets that could add material to the mine plan without requiring significant additional capital. The Pollard and Prospect deposits sit in close proximity to the Main Lode area and are under-drilled below and to the south of the existing resource. Success here would add a new concurrent mining front to the operation. The Youanmi Main North Area, between Youanmi Main and Hill End, returned encouraging results from recent drilling and has the potential to add inventory around planned workings. Youanmi South, following 2023 discovery of Paddy's Lode, has shown mineralisation continuing south of the main pit.

We have assumed a mine-life of 7 years in line with the DFS though have extended this mine life to 10 years under our upside case scenario (see page 26). Furthermore, we have captured additional ounces not in our base case assumptions in our SOTP exploration line item of A$100m shown below. For further information, refer to page 28.

Figure 27: We have valued RXL's further exploration opportunities at A$100m

Net asset value (attrib)	($M)	A$/sh	NAV (%)
Operating value			
Youanmi Gold Project	679.4	0.48	100%
Total	679.4	0.48	100%
Exploration (assets)	100.4	0.07	
Cash, bullion and investments	152.7	0.11	
Corporate G&A	(35.2)	(0.02)	
Debt	0.0	0.00	
Total net asset value	897.3	0.63	
P/NAV		**0.58x**	

Source: Company reports, OMLe.

Our base case assumptions

Our base case assumptions are broadly in line with those set out in RXL's DFS, with the following changes to provide some conservatism and headroom to our valuation:

- **Grade:** OMLe average grade of 4.6g/t (4.9g/t in DFS).
- **Recovery:** Average recoveries of 88.1% (90.8% in DFS).
- **Capex:** 10% increase in pre-production capex vs DFS.

A summary of our assumptions over the seven year mine life are set out below:

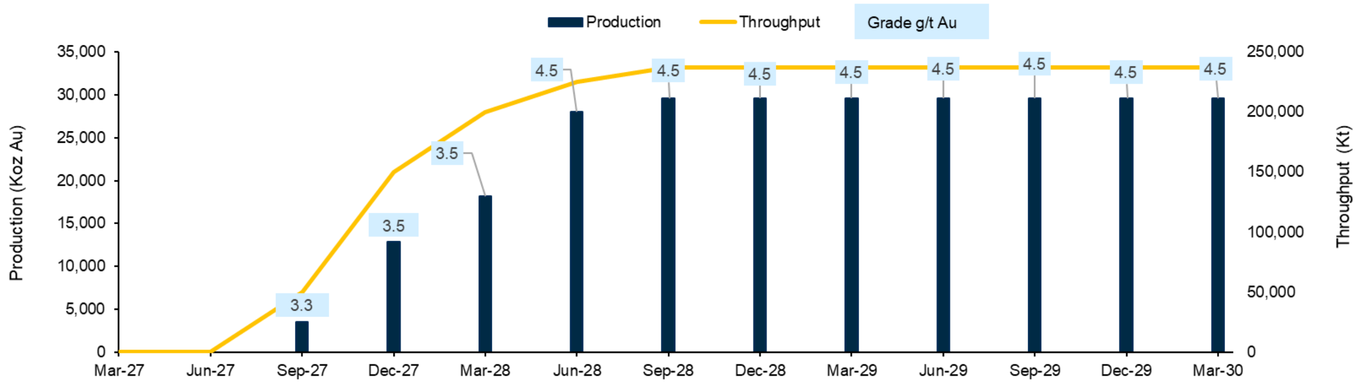
Figure 28: Base case assumption overview

	Metric	FY26E	FY27E	FY28E	FY29E	FY30E	FY31E	FY32E	FY33E	FY34E
Physicals										
Throughput	Ktpa	-	-	625	950	950	950	950	950	950
Grade	G/t Au	-	-	3.7	4.5	4.5	4.6	4.8	4.9	5.6
Recovery	%	-	-	77%	86%	86%	86%	86%	86%	86%
Production	**Koz Au**	**-**	**-**	**63**	**119**	**119**	**121**	**126**	**128**	**148**
Operating costs										
C1 cash cost	A$/oz	-	-	2,276	1,827	1,827	1,797	1,722	1,695	1,468
AISC	**A$/oz**	**-**	**-**	**2,768**	**2,243**	**2,226**	**2,179**	**2,094**	**2,064**	**1,807**
Capital expenditure										
Expansion capital	A$m	59	286	74	0	0	0	0	0	0
Sustaining capital	A$m	-	-	19	29	29	29	29	29	29
Total capltal expenditure	**A$m**	**59**	**286**	**93**	**29**	**29**	**29**	**29**	**29**	**29**

Source: Company reports, OMLe.

We assume timing around mining and processing in line with the DFS and expect a higher (relative to DFS) average AISC of A$2,197/oz primarily due to lower assumed recoveries and to a lesser extent, lower grades.

Figure 29: We forecast Youanmi to reach steady state production by the September 2028 quarter



Source: Company reports, OMLe.

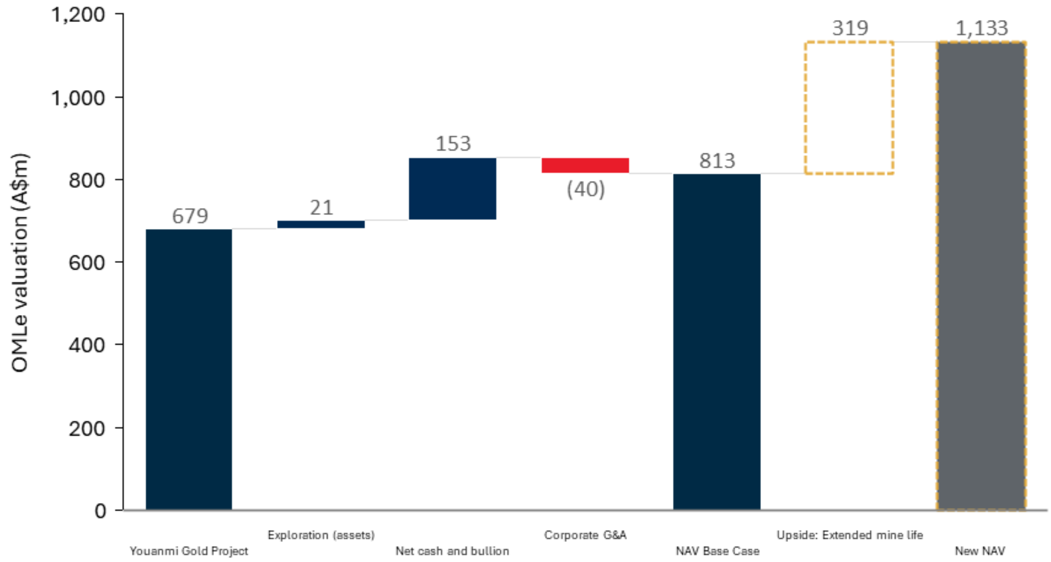
Value uplift opportunities

We apply a discount to the DFS assumptions across three key variables, being recoveries, grade and capex, to reflect the inherent execution risk ahead of first production. As construction progresses and key milestones are met, we see a clearer line of sight to our estimates converging towards the assumptions used in the DFS, which would represent material upside to our current target price under the base case assumptions. In addition to our base case, we have analysed the sensitivity of an additional upside case as presented below:

- **OML base case:**
  - Processing plant throughput: 950ktpa.
  - LOM gold production: 821koz.
  - Mine life: 7 years.
  - Recovery: 88.1% (90.8% DFS).
  - Average gold grade: 4.6g/t (4.9g/t DFS).
  - Capex: +10% sensitivity on DFS pre-production capex.
  - Base case operating NAV: $679m.

- **Upside case scenario assumptions:**
  - Processing plant throughput: 950ktpa.
  - LOM production 1.29Moz.
  - Mine life: 10 years.
  - Recovery: 88.1% (90.8% DFS).
  - Average gold grade: 4.6g/t (4.9g/t DFS).
  - Capex: +10% sensitivity on DFS pre-production capex.
  - Upside case scenario operating NAV: $1,132m.

Figure 30: Incremental value-add from uplift scenario 1



Source: Company reports, OMLe.

Earnings and valuation

We initiate with a Speculative Buy recommendation and a 12-month target price of A$0.70/share, representing close to 92% upside to the current share price. We value RXL on a blended Price-to-NAV ('P/NAV') and Price-to-cashflow ('P/CF') basis.

P/NAV

Our NAV includes a operating NAV for Youanmi and we have discounted our future cash flows with a 10% (real) WACC. We adopt a 0.9x P/NAV multiple on our estimate of Youanmi's NAV, which is broadly in line with developer peers and reflective of residual execution risk ahead of first gold. We note that we see scope for us to migrate this multiple toward producing peer levels as RXL delivers on key construction and operational milestones through the remainder of 2026 and into 2027. We have weighted this approach at 75% (against the P/CF approach) and also see scope to lower this to 50% in line with our broader producer coverage as RXL approaches producer status in mid-2027.

Our sum-of-the-parts ('SOTP') NAV has an operating value of A$679m based on the unlevered free cashflows from the Youanmi Gold project discounted using a real, post-tax discount rate of 10%.

Surplus assets/liabilities

Within our SOTP, we have adjusted for surplus assets and liabilities to arrive at our implied NAV target price (equity value) of RXL. Our adjustments include:

- **Cash and investments:** We have added back A$153m of cash as at 30 June 2026.
- **Exploration upside:** We have incorporated a value for the exploration upside not currently captured within our mine life assumptions. We apply a risk valuation to account for known ounces which are not captured in our life of mine estimates but have appropriate grade and with increased likelihood of extraction. For RXL, we incorporate A$150/oz for residual material from the measured & inferred

('M&I') category (352koz) which is not accounted for in our base case assumptions. In addition, we allocate a further A$50/oz for residual inferred resources. Combined, this makes up our A$100m exploration value contained within our SOTP NAV. We note that under our upside case scenario, this value falls to approximately A$20m due to this value being captured through the extended mine life.

- **Corporate costs:** We have made an adjustment for the present value of corporate costs that are not explicitly modelled at the project level within Youanmi. We have adopted a real, post-tax discount rate consistent with the discounted cashflows in our valuation.

P/CF

For our P/CF valuation, we adopt a multiple of cashflows (leveraged cashflows from operations less sustaining capex and corporate costs) from the time of first gold. We apply a 7x multiple on these cashflows (broadly in-line with mine life). We have weighted this approach at 25% vs our P/NAV (75%) though note there is scope to migrate this towards 50% as RXL reaches production status.

Figure 31: OML RXL target price methodology

P/NAV target

	A$M	A$/sh
NAV target		
Operating NAV (fully diluted)	679.4	0.48
Target multiple		0.9x
NAV implied target price (operations)		**0.43**
Add/(subtract) surplus assets/(liabilities)		
Add: cash and investments	152.7	0.1
Add: exploration upside	100.4	0.07
Less: debt and reclamation/closure	0.0	0.00
Less: corporate costs	(35.2)	(0.02)
Implied NAV target price		**0.58**

P/CF target

	A$M	A$/sh
P/CF target		
12-month look forward cash flow from operations*	212.3	0.15
Equity value target multiple		7.0x
Implied equity value target		**1.05**
Add/(subtract) surplus assets/(liabilities)		
Add: exploration upside	100.4	0.07
P/CF implied target price		**1.12**

Target price

	A$/sh	Weighting	A$/sh (blended)
Target NAV	0.58	75%	0.44
P/CF target	1.12	25%	0.28
Target price			**0.70**

OMLe

**Operating cashflows are net of interest costs, sustaining capex and corporate costs.*

Discount rate

Our discounted cash flow ('DCF') valuation discounts the real, post-tax cashflows of the Youanmi Gold Project. We have adopted a real, post-tax discount rate of 10%, reflecting RXL's risk profile as a developer and is broadly consistent with our prior coverage of developers with similar risk profiles. This includes a cost of equity of 14.4% based on a beta of 1.6, market risk premium of 6% and risk-free rate of 4.75%. Our discount rate calculation is presented below:

Figure 32: Discount rate adopted for RXL

Cost of equity	14.4%
Beta (geared)	1.6
Market equity risk premium	6.0%
Risk-free rate	4.8%
Cost of debt	9.0%
Tax rate	30%
Inflation rate	2.5%
Target gearing (ND/ND+E)	20%
WACC (nominal)	**12.7%**
WACC (real)	**10.0%**

Source: OMLe.

Summary of the financial statements

Profit and loss summary

We model RXL to enter commercial production in the September quarter of 2027 (Q1 FY28) following commissioning of the processing plant in the prior June quarter. We assume a steady state ramp-up to nameplate capacity of 950ktpa by the September 2028 quarter (Q1 FY29), or 12 months after first gold. Once at a steady state, we forecast Youanmi generating an average of A$300m of EBITDA per year (A$460m at spot). We forecast net interest payments to peak in FY28 and then reduce materially as the project generates strong free cashflow and the debt facility is progressively repaid over the 5.5 year term with RXL forecast to reach a net cash position by the December 2028 quarter (Q2 FY29). Our profit and loss summary is presented below:

Figure 33: RXL P&L summary

P&L statement	Unit	FY26	FY27E	FY28E	FY29E
Revenue	A$m	0.1	-	352.9	607.5
Operating costs	A$m	(17.6)	(15.9)	(170.7)	(253.8)
EBITDA	A$m	**(17.5)**	**(15.9)**	**182.2**	**353.7**
Depreciation and amortisation	A$m	(2.4)	(23.9)	(44.6)	(48.3)
EBIT	A$m	**(19.9)**	**(39.8)**	**137.6**	**305.4**
Other income/expenses	A$m	4.2	4.1	(16.7)	(14.7)
EBT	A$m	**(15.7)**	**(35.7)**	**120.9**	**290.6**
Taxes	A$m	-	-	-	(74.8)
Net Income - adjusted	A$m	**(15.7)**	**(35.7)**	**120.9**	**215.8**
Adjustments	A$m	-	-	-	-
Net Income - reported	A$m	**(15.7)**	**(35.7)**	**120.9**	**215.8**
Weighted average diluted shares	m	1,418.6	1,418.6	1,418.6	1,418.6

Source: OMLe.

Balance sheet summary

RXL's forecast balance sheet reflects the capital-intensive construction phase through FY27, with net debt peaking at approximately A$220m shortly after first production before declining rapidly as the project reaches steady state production. We forecast RXL to transition into a net cash position by Q2 FY29, supported by average free cashflow margins of 38% at our long-term gold price assumption of US$3,000/oz (44.2% at spot). The A$350m debt facility secured in March 2026 provides the primary funding vehicle throughout construction, with the equity raise of A$218m completed in December 2025 funding the balance of the pre-production capital. On our estimates this should suffice to fund development with an appropriate liquidity buffer (+A$150m) should there be any delays or capital overruns. Our balance sheet summary is presented below:

Figure 34: RXL balance sheet summary

Balance sheet	Unit	FY26	FY27E	FY28E	FY29E
Cash & equivalents	A$m	152.7	111.8	211.3	390.4
Other current assets	A$m	1.2	1.2	1.2	1.2
PP&E & mining interests	A$m	120.9	396.2	458.2	438.8
Other long term assets	A$m	10.1	10.1	10.1	10.1
Total assets	A$m	**284.8**	**519.2**	**680.8**	**840.5**
Current liabilities	A$m	9.1	9.1	9.1	9.1
Long term debt	A$m	0.0	270.1	310.9	254.8
Other long term liabilities	A$m	10.1	10.1	10.1	10.1
Total liabilities	A$m	**19.2**	**289.3**	**330.1**	**274.0**
Shareholder equity	A$m	265.6	229.9	350.7	566.5
Total liabilities & shareholder equity	A$m	**284.8**	**519.2**	**680.8**	**840.5**

Source: OMLe.

Cashflow statement summary

Following the capital-intensive construction period through CY2026 and into CY2027 where we forecast RXL to spend approximately A$421m (10% higher vs the DFS) in pre-production capital, the project transitions to a cash generation and debt repayment phase from Q2 FY28. We forecast annual net operating cashflow to average around A$222m (A$328m at spot) across the project supporting both debt repayment and the accumulation of cash on the balance sheet.

Capital expenditure reduces materially from FY2028 to sustaining levels of approximately A$28m per year, at which point free cashflow generation accelerates. We do not forecast any dividend payments in the near term given the priority of debt repayment, though we see scope for capital returns to shareholders from FY29 as the balance sheet strengthens. Our summary cashflow statement is presented on the following page:

Figure 35: RXL cashflow statement summary

Cash flow statement	Unit	FY26	FY27E	FY28E	FY29E
Cash flow from operating activities	A$m				
Receipts from customers	A$m	-	-	352.9	607.5
Payments to suppliers	A$m	-	-	(154.9)	(237.9)
Taxes paid	A$m	-	-	-	(74.8)
Non recurring/other	A$m	(30.1)	(12.0)	(32.7)	(30.8)
Net operating cash flow	A$m	**(30.1)**	**(12.0)**	**165.4**	**264.0**
Cash flows from investing activities					
Capital expenditure	A$m	(47.1)	(286.0)	(93.2)	(28.5)
Exploration	A$m	(9.0)	(10.0)	(10.0)	(10.0)
Other	A$m	(22.1)	10.0	10.0	10.0
Net investing cash flow	A$m	**(78.2)**	**(286.0)**	**(93.2)**	**(28.5)**
Cash flows from financing activities					
Equity issues (net of costs)	A$m	218.0	-	-	-
Net borrowings	A$m	-	257.4	27.7	(56.1)
Dividends paid & other	A$m	(7.5)	(0.3)	(0.3)	(0.3)
Net financing cash flow	A$m	**210.5**	**257.1**	**27.4**	**(56.4)**
Increase /(decrease) in cash	A$m	102.2	(40.9)	99.6	179.1
Cash at end of year	A$m	**152.7**	**111.8**	**211.3**	**390.4**
Operating free cash flow	A$m	(77.2)	(298.0)	72.2	235.5
Free cash flow	A$m	**(108.3)**	**(298.0)**	**72.2**	**235.5**

Source: OMLe

Debt schedule

RXL secured a A$350m project finance facility in March 2026 from a syndicate of five major Australian and international banks at fixed rate above BBSY (we model an all-in rate of 8%).

We forecast the first draw down in the September 2026 quarter as plant construction progresses, and that RXL will likely capitalise the interest during the construction period. We expect cash interest (and principal payments) to commence from the December 2027 quarter (Q2 FY28).

Including capitalised interest, we forecast debt to peak at approximately A$350m by first gold and also expect cash reach a low point of around A$112m, though we note that:

- Our pre-production capex assumption is deliberately conservative relative to the DFS assumption of A$383m. We forecast a contingency of 10% over this figure (A$421M), leading to a higher debt drawdown than the DFS would imply.
- There is additional headroom via a A$20m cost overrun facility and A$30m bank guarantee facility that are inclusive of the A$350m funding package, though note that we have not explicitly modelled these as per figures 20 and 21 on the following pages.

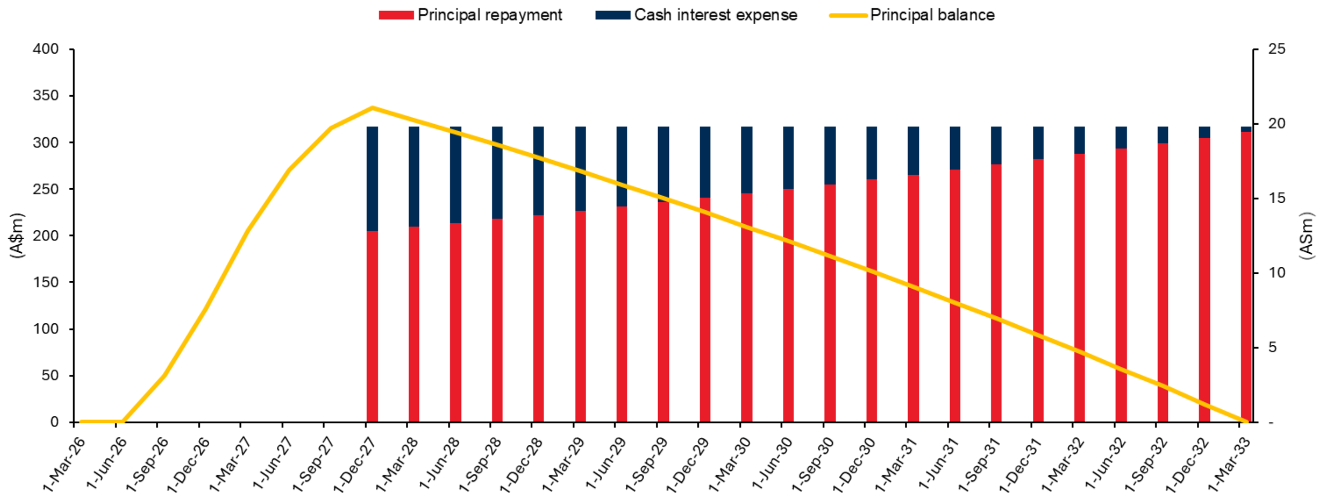
We forecast fixed repayments of ~A$20m per quarter to commence in Q2 FY28 and to amortise the balance over a 5.5-year period, consistent with the debt funding details provided to the market on 9 March 2026.

Figure 36: Debt repayment schedule and net debt

	Metric	31-Mar-26	30-Jun-26	30-Sep-26	31-Dec-26	31-Mar-27	30-Jun-27	30-Sep-27	31-Dec-27	31-Mar-28
Drawdown	A$m	-	-	49.5	69.3	79.2	59.4	39.6	27.4	-
Capitalised interest	A$m			1.0	2.4	4.0	5.3	6.2	6.9	
Repayment (principal portion)	A$m	-	-	-	-	-	-	-	12.8	13.1
Principal owing	**A$m**	**-**	**-**	**50.5**	**122.2**	**205.4**	**270.1**	**315.9**	**337.3**	**324.2**
Net debt										
Cash balance	A$m	200.4	152.7	144.2	133.5	121.6	111.8	111.5	117.1	142.8
Borrowings	A$m	-	-	(50.5)	(122.2)	(205.4)	(270.1)	(315.9)	(337.3)	(324.2)
Net debt (cash)	**A$m**	**(200.4)**	**(152.7)**	**(93.7)**	**(11.3)**	**83.9**	**158.4**	**204.4**	**220.2**	**181.5**
Gearing	%	-	-	-	-	26%	41%	48%	48%	40%

Source: OMLe.

Figure 37: Debt amortisation chart



Source: OMLe.

Appendix A: Directors and management

Figure 38: RXL board and management team

Title	Member	Experience and Education
Non-Executive Chairman	Stephen Dennis (appointed August 2015)	Mr Dennis has been actively involved in the mining industry for over 40 years, having held senior executive roles at a number of Australian resources companies. He was previously CEO and Managing Director of CBH Resources Ltd, the Australian subsidiary of Toho Zinc Co Ltd of Japan. He is currently Non-Executive Chairman of Marvel Gold Ltd and a Non-Executive Director of Evolution Energy Minerals Limited.
Managing Director and CEO	Phillip Wilding (appointed October 2024)	Mr Wilding is a mining engineer and corporate executive with 20 years' experience, most recently as Chief Operating Officer of Westgold Resources Limited (ASX: WGX), where he oversaw three operating mining regions. He has led multiple studies and mine constructions, including refurbishing and commissioning Westgold's Tuckabianna mill and the Big Bell and Great Fingall underground mines, giving him strong technical and operational team-building experience.
Non-Executive Director	Nathan Stoitis (appointed September 2024)	Mr Stoitis is a metallurgist with over 25 years' experience in plant management, operations, and global sales and marketing. For the past 14 years he has been a Director and Principal Metallurgist at consultancy Extreme Metallurgy Pty Ltd, working across gold, copper, lead and zinc operations. He recently worked with Bellevue Gold Limited on testwork, design and commissioning of its processing plant, and has supported project design and commissioning at Ora Banda Mining and Northern Star Resources.
Non-Executive Director	David Boyd (appointed February 2025)	Mr Boyd is a geologist with more than 25 years' experience, having held senior exploration roles at major gold-mining houses including RGC/Goldfields, Placer Dome Asia Pacific, and Barrick Gold. He was involved in several gold discoveries, including the Raleigh and Homestead Underground mines in WA's Eastern Goldfields. He has been Managing Director of Carawine Resources Limited (ASX: CWX) since October 2017.
Non-Executive Director	Alan Rule (appointed December 2025)	Mr Rule brings more than 30 years of senior financial and executive experience across ASX-listed mining companies, spanning operations and projects in Australia, Africa, and North and South America. He has served as a Non-Executive Director of listed companies since 2016, currently sitting on the boards of Ora Banda Mining Ltd and Yellow Cake plc (AIM-listed). From 2017 to 2021 he was CFO of Galaxy Resources Limited until its acquisition, with earlier CFO roles at Sundance Resources, Paladin Energy, Mount Gibson Mining, and St Barbara Mines. He is a Fellow of Chartered Accountants ANZ.

Chief Financial Officer & Company Secretary	Greg Hoskins (appointed February 2025)	Mr Hoskins is a Chartered Accountant with more than 25 years' corporate experience, including 13+ years in mining in Australia and overseas. He was most recently CFO of ASX-listed OreCorp Limited, which was progressing the Nyanzaga Gold Project in Tanzania prior to its acquisition by Perseus Mining, and was closely involved in the project financing and transaction negotiations. He earlier spent over 10 years at Base Resources Limited, developing the Kwale Mineral Sands operation in Kenya.
General Manager – Studies	Daniel Marchesi (appointed March 2023)	Mr Marchesi holds postgraduate qualifications in mining engineering from the University of Ballarat and has over 20 years' industry experience, including operational, technical and consulting roles. He has strong experience across underground mining in base metal and gold mines, from narrow vein to large-scale bulk methods, and has been closely involved in developing mining projects from scoping through to feasibility and execution.
General Manager – Geology	Jonathan Streeter (appointed December 2025)	Mr Streeter is a geologist with Master's and Honours qualifications, and a career spanning oil & gas, exploration and mine operations. He has held senior roles across open pit and underground production, exploration and resource definition, most recently as Alternate General Manager for Bardoc Gold's Southern Cross operations, where he led the Mine Geology and Exploration & Resource Definition portfolios.
Exploration Manager	Andrew Shaw-Stuart (appointed October 2024)	Mr Shaw-Stuart is a geologist with Masters and First Class Honours qualifications and over 20 years' experience across exploration and mining companies including Western Areas, Millennium Minerals and Panoramic Resources, spanning gold, lithium and nickel. His most recent role was General Manager Geology for Panoramic Resources.

Source: Company reports

Appendix B: Top 20 shareholder register

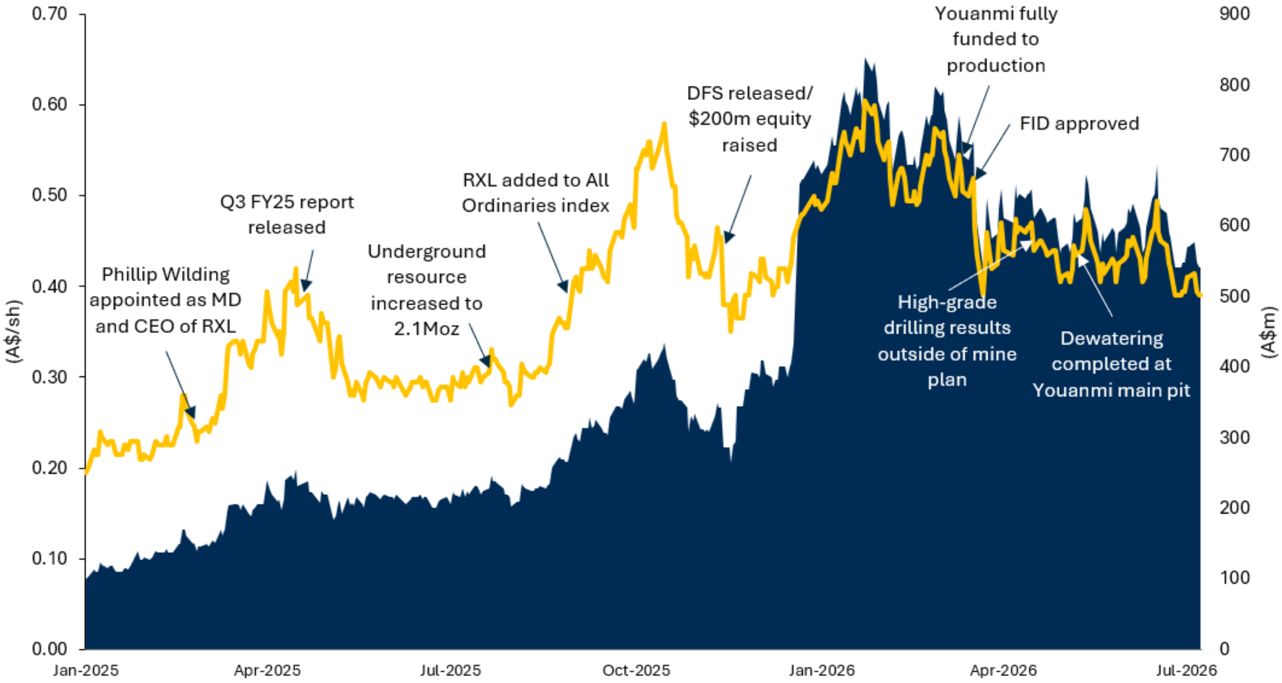
Figure 39: RXL Top 20 shareholder register

No.	Shareholder	Shares (m)	Ownership proportion (%)
1	L1 Capital Pty. Limited	265	19.1%
2	Tetragon Partners L.P.	134	9.7%
3	QGold Pty Ltd	133	9.6%
4	Franklin Resources, Inc.	51	3.7%
5	Venus Metals Corporation Limited	50	3.6%
6	Mackenzie Financial Corporation	25	1.8%
7	Citigroup Inc.	14	1.0%
8	Commodity Capital AG	13	0.9%
9	Ram Kangatharan	12	0.9%
10	IG Investment Management, Ltd.	7	0.5%
11	Daryl Miller	7	0.5%
12	Pazifik Pty Ltd	6	0.4%
13	Jarhamche Pty Ltd	5	0.4%
14	CQS (UK) LLP	4	0.3%
15	Anniebrook Pty Ltd	4	0.3%
16	Gabor Matoricz	3	0.2%
17	Matthew Hogan	3	0.2%
18	John Hindman	3	0.2%
19	Stephen Dennis	3	0.2%
20	Canada Life Investment Management Ltd.	2	0.2%
Total		**743**	**53%**

Source: Iress

Appendix C: RXL: Recentshare price history and market capitalisation

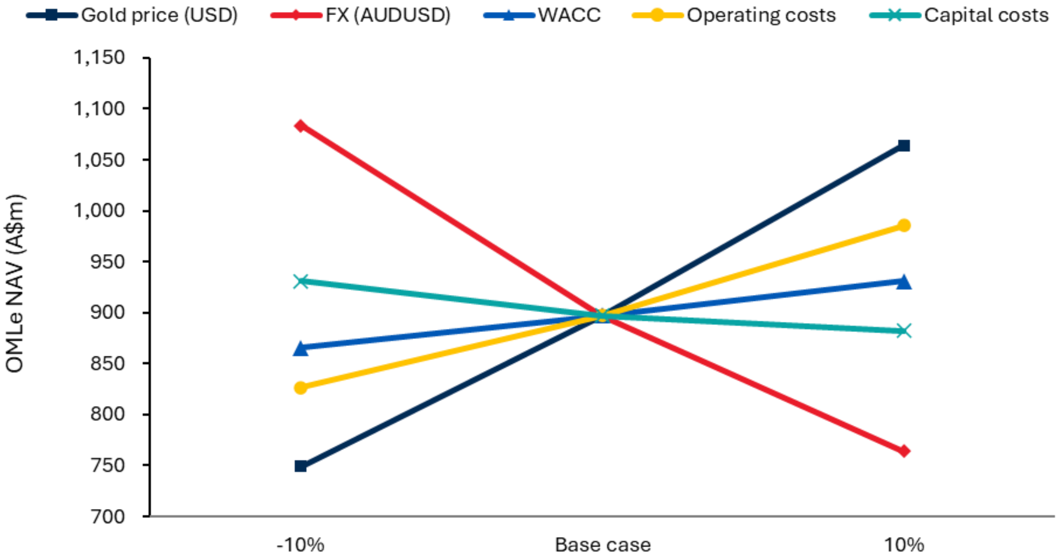
Figure 40: RXL share price and market capitalisation chart



Source: Iress, Bloomberg

Appendix D: RXL key sensitivities chart

Figure 41: RXL operating NAV impact with -/+10% sensitivities on key drivers



Source: Company reports, OMLe.

Institutional Research

Alastair Hunter	Head of Institutional Research	+61 3 9608 4168	ahunter@ords.com.au
Malcolm Wood	Macro Strategy Analyst	+61 2 8216 6777	mwood@ords.com.au
James Casey	Senior Research Analyst	+61 3 9602 9265	jamescasey@ords.com.au
Phillip Chippindale	Senior Research Analyst	+61 2 8216 6346	pchippindale@ords.com.au
Tom Godfrey	Senior Research Analyst	+61 7 3214 5587	tgodfrey@ords.com.au
Paul Graham	Senior Research Analyst	+61 2 8216 6692	pgraham@ords.com.au
Amelia Hamer	Senior Research Analyst	+61 3 9608 4163	ahamer@ords.com.au
Anthony Hoo	Senior Research Analyst	+61 2 8216 6345	ahoo@ords.com.au
Matthew Hope	Senior Research Analyst	+61 2 8916 0151	mhope@ords.com.au
Paul Kaner	Senior Research Analyst	+61 7 3214 5514	pkaner@ords.com.au
John Lawlor	Senior Research Analyst	+61 7 3214 5506	jlawlor@ords.com.au
Ian Munro	Senior Research Analyst	+61 3 9608 4127	ian.munro@ords.com.au
John O'Shea	Senior Research Analyst	+61 3 9608 4146	joshea@ords.com.au
Tim Elder	Research Analyst	+61 7 3214 5565	telder@ords.com.au
Milo Ferris	Research Analyst	+61 2 8216 6691	mferris@ords.com.au
Adam Bullivant	Research Associate	+61 2 8216 6690	abullivant@ords.com.au
Patrick Cockerill	Research Associate	+61 3 9608 4186	pcockerill@ords.com.au
Jacob Alchin	Research Associate	+61-2 8216 6318	jalchin@ords.com.au
Ed Negus	Research Associate	+61-2 8916 0156	enegus@ords.com.au
Richard Stevens	Research Associate	+61 3 9602 9214	rstevens@ords.com.au
Benjamin Yun	Research Associate	+61 2 8216 6646	byun@ords.com.au
Patrick Melville	Research Associate	+61 7 3214 5516	pmelville@ords.com.au

Institutional Sales (Australia)

Angus Esslemont	Head of Institutional Equities	+61 2 8216 6363	aesslemont@ords.com.au
Jim Bromley	Institutional Equities Sales	+61 2 8216 6343	jbromley@ords.com.au
Isaac Morris	Institutional Equities Sales	+61 2 8216 6370	imorris@ords.com.au
Jonas Fitzgerald	Institutional Equities Sales	+61 2 8216 6367	jfitzgerald@ords.com.au
Karl Guilfoyle	Institutional Equities Sales	+61 2 8216 6365	kguilfoyle@ords.com.au
Matt White	Institutional Equities Sales	+61 3 9608 4133	mwhite@ords.com.au
Zac Whitehead	Institutional Equities Sales	+61 2 8216 6350	zwhitehead@ords.com.au
Trent Stewart	Institutional Derivatives Sales	+61 2 8216 6622	trent.stewart@ords.com.au
Brendan Sweeney	Operator	+61 2 8216 6781	bsweeney@ords.com.au

Institutional Sales (Hong Kong)

Chris Moore	Institutional Equities Sales	+61 2 8216 6362	cmoore@ords.com.hk

Please contact your Ord Minnett Adviser for further information on our document.

Head Office
Sydney
Level 18, Grosvenor Place
225 George Street
Sydney NSW 2000
Tel: (02) 8216 6300
ords.com.au

International
Hong Kong
Suite 1608
Nexxus Building
No. 41 Connaught Road
Central, Hong Kong
Tel: +852 2912 8980

Adelaide
Level 5, 100 Pirie Street
Adelaide SA 5000
Tel: (08) 8203 2500

Brisbane
Level 34, 71 Eagle Street
Brisbane QLD 4000
Tel: (07) 3214 5555

Canberra
101 Northbourne Avenue
Canberra ACT 2600
Tel: (02) 6206 1700

Geelong
Office 3, Suite 4
200 Malop Street
Geelong VIC 3220
Tel: (03) 4210 0200

Gold Coast
Level 7
50 Appel Street
Surfers Paradise QLD 4217
Tel: (07) 5557 3333

Hobart
85 Macquarie Street
Hobart TAS 7000
Tel: (03) 6161 9300

Launceston
85 York St Launceston
Tasmania 7000
Tel: (03) 6161 9300

Mackay
45 Gordon Street
Mackay QLD 4740
Tel: (07) 4969 4888

Melbourne
Level 22, 35 Collins Street
Melbourne VIC 3000
Tel: (03) 9608 4111

Newcastle
426 King Street
Newcastle NSW 2300
Tel: (02) 4910 2400

Noosa
70 Noosa Dr
Noosa Heads QLD 4567
Tel: (07) 5231 9966

Perth
Level 27, 108 St Georges Terrace
Perth WA 6000
Tel: (08) 6179 6400

Sunshine Coast
1/99 Burnett Street
Buderim QLD 4556
Tel: (07) 5430 4444

Guide to Ord Minnett Recommendations

Our recommendations are based on the total return of a stock – nominal dividend yield plus capital appreciation – and have a 12-month time horizon.

SPECULATIVE BUY	We expect the stock's total return (nominal yield plus capital appreciation) to exceed 20% over 12 months. The investment may have a strong capital appreciation but also has high degree of risk and there is a significant risk of capital loss.
BUY	The stock's total return (nominal dividend yield plus capital appreciation) is expected to exceed 15% over the next 12 months.
ACCUMULATE	We expect a total return of between 5% and 15%. Investors should consider adding to holdings or taking a position in the stock on share price weakness.
HOLD	We expect the stock to return between 0% and 5%, and believe the stock is fairly priced.
LIGHTEN	We expect the stock's return to be between 0% and negative 15%. Investors should consider decreasing their holdings.
SELL	We expect the total return to lose 15% or more.
RISK ASSESSMENT	Classified as Lower, Medium or Higher, the risk assessment denotes the relative assessment of an individual stock's risk based on an appraisal of its disclosed financial information, historical volatility of its share price, nature of its operations and other relevant quantitative and qualitative criteria. Risk is assessed by comparison with other Australian stocks, not across other asset classes such as Cash or Fixed Interest.

RoxResources

SpeculativeBuy

PROFIT& LOSS(A$m)	2025A	2026E	2027E	2028E	2029E
Revenue	-	-	-	352.9	607.5
Other income	0.8	0.1	-	-	-
Operating costs	22.7	17.6	15.9	170.7	253.8
OperatingEBITDA	**(21.9)**	**(17.5)**	**(15.9)**	**182.2**	**353.7**
D&A	0.3	2.4	23.9	44.6	48.3
EBIT	**(22.1)**	**(19.9)**	**(39.8)**	**137.6**	**305.4**
Net interest	(0.3)	(4.2)	(4.0)	16.7	14.8
Pre-tax profit	**(21.8)**	**(15.7)**	**(35.7)**	**120.8**	**290.6**
Net tax (expense)/ benefit	(3.7)	-	-	-	74.8
Normalised NPAT	**(18.2)**	**(15.7)**	**(35.7)**	**120.8**	**215.8**
ReportedNPAT	**(18.2)**	**(15.7)**	**(35.7)**	**120.8**	**215.8**
Normalised dil. EPS(cps)	-	-	-	-	-
ReportedEPS(cps)	-	-	-	-	-
DPS(cps)	-	-	-	-	-
Diluted # of shares (m)	1,418.6	1,418.6	1,418.6	1,418.6	1,418.6

CASHFLOW(A$m)	2025A	2026E	2027E	2028E	2029E
EBITDAincl. adjustments	(3.7)	(34.9)	(16.0)	182.1	353.6
Net Interest (paid)/received	0.5	4.8	4.0	(16.7)	(14.8)
Income tax paid	-	-	-	-	(74.8)
OperatingCash Flow	**(3.2)**	**(30.1)**	**(12.0)**	**165.4**	**264.0**
Other investing items	1.5	(31.1)	-	-	-
InvestingCash Flow	**(0.3)**	**(78.2)**	**(286.0)**	**(93.2)**	**(28.5)**
Inc/(Dec) in borrowings	-	-	257.4	27.7	(56.1)
Sharesissue proceeds	67.0	218.0	-	-	-
Other financing items	0.9	(7.5)	(0.3)	(0.3)	(0.3)
FinancingCash Flow	**67.9**	**210.5**	**257.1**	**27.4**	**(56.4)**
Net Inc/(Dec) in Cash	64.5	102.2	(40.9)	99.6	179.1

BALANCESHEET(A$m)	2025A	2026E	2027E	2028E	2029E
Cash	50.5	152.7	111.8	211.3	390.4
Receivables	0.2	0.7	0.7	0.7	0.7
Inventory	0.1	0.3	0.3	0.3	0.3
Other current assets	0.0	0.2	0.2	0.2	0.2
PP&E	2.1	71.7	346.9	408.7	389.3
Financial assets	0.2	10.1	10.1	10.1	10.1
Other non-current assets	0.1	-	-	-	-
Total Assets	**103.7**	**284.8**	**519.2**	**680.8**	**840.5**
Payables	1.8	7.4	7.4	7.4	7.4
Other current liabilities	0.1	1.5	1.5	1.5	1.5
Longterm debt	-	-	270.1	310.9	254.8
Total Liabilities	**12.1**	**19.2**	**289.3**	**330.1**	**274.0**
Total Equity	**91.6**	**265.6**	**229.9**	**350.7**	**566.5**
Net debt (cash)	(50.5)	(152.7)	158.4	99.5	(135.6)

DIVISIONS	2025A	2026E	2027E	2028E	2029E

KEYMETRICS(%)	2025A	2026E	2027E	2028E	2029E
Revenuegrowth	-	-	-	-	72.1
EBITDAgrowth	-	-	-	-	94.1
EBITgrowth	-	-	-	-	122.0
EBITDAmargin	-	-	-	51.6	58.2
EBITmargin	-	-	-	39.0	50.3
Return on equity	-	-	-	34.5	38.1

VALUATIONRATIOS(x)	2025A	2026E	2027E	2028E	2029E

LEVERAGE	2025A	2026E	2027E	2028E	2029E
ND / (ND + Equity) (%)	(122.6)	(135.1)	40.8	22.1	(31.5)
Net Debt / EBITDA(%)	231.0	871.9	(998.9)	54.6	(38.3)
EBITInterest Cover (x)	-	-	-	-	-
EBITDAInterest Cover (x)	-	-	-	-	-

SUBSTANTIAL HOLDERS	m	%
L1 Capital Pty Limited	265.0	19.1%
Tetragon Patners L.P.	134.0	9.7%
QGold Pty Ltd	133.0	9.6%

VALUATION	
WACC (%)	**10.0**
Multiples valuation method	P/DACF
Multiples	7.0
Multiples valuation	1.12
Multiples valuation method	P/NAV
Multiples	0.9
Multiples valuation	0.43
TargetPrice ($)	0.70