



REX American Resources Corporation

March 2024 Investor Presentation

NYSE: REX

www.rexamerican.com



This presentation contains or may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements can be identified by use of forward-looking terminology such as “may,” “expect,” “believe,” “estimate,” “anticipate” or “continue” or the negative thereof or other variations thereon or comparable terminology. Readers are cautioned that there are risks and uncertainties that could cause actual events or results to differ materially from those referred to in such forward-looking statements. These risks and uncertainties include the risk factors set forth from time to time in the Company’s filings with the Securities and Exchange Commission and include among other things: the effect of pandemics such as COVID-19 on the Company’s business operations, including impacts on supplies, demand, personnel and other factors, the impact of legislative and regulatory changes, the price volatility and availability of corn, distillers grains, ethanol, distillers corn oil, commodity market risk, gasoline and natural gas, ethanol plants operating efficiently and according to forecasts and projections, logistical interruptions, success in permitting and developing the planned carbon sequestration facility near the One Earth Energy ethanol plant, changes in the international, national or regional economies, the impact of inflation, the ability to attract employees, weather, results of income tax audits, changes in income tax laws or regulations, the impact of U.S. foreign trade policy, changes in foreign currency exchange rates and the effects of terrorism or acts of war. The Company does not intend to update publicly any forward-looking statements except as required by law.

Executive Summary





Established, Mature Company

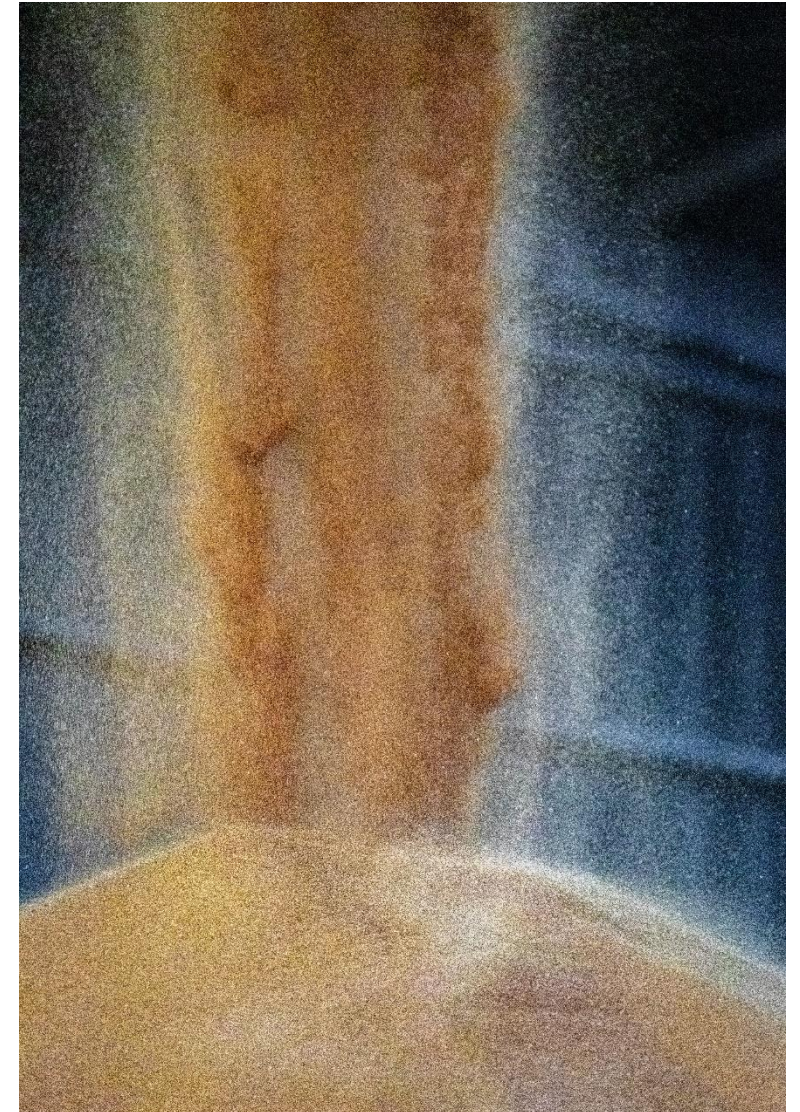
- Publicly traded on the NYSE since 1984; currently traded under the ticker symbol “REX”
- Headquartered in Dayton, OH

Growth Strategy Vital to a Low Carbon Future

- Existing ethanol production business provides feedstock for fuel blending from six Corn Belt facilities in the Midwest
- Company is developing carbon capture and sequestration capabilities to reduce carbon intensity of its produced ethanol, and drive bottom line growth through tax credit programs and potential third party carbon storage

Focus on Profitable Execution

- REX is a recognized leader in the ethanol production space, with a strong commitment to efficient and consistently profitable operations
- Nearly 40-year track record of delivering value to shareholders and growing within cash flow
- No bank debt



REX American Full Year 2023 Financial Highlights



*Second-Highest
In Company History*

\$833.4

million

Net Sales and Revenue

\$98.2

million

Gross Profit

\$3.47

Per diluted share

Net Income Attributable
to Shareholders

Cash, Cash Equivalents & ST Investments
\$378.7 million¹

Working Capital
\$385.8 million

No Bank Debt

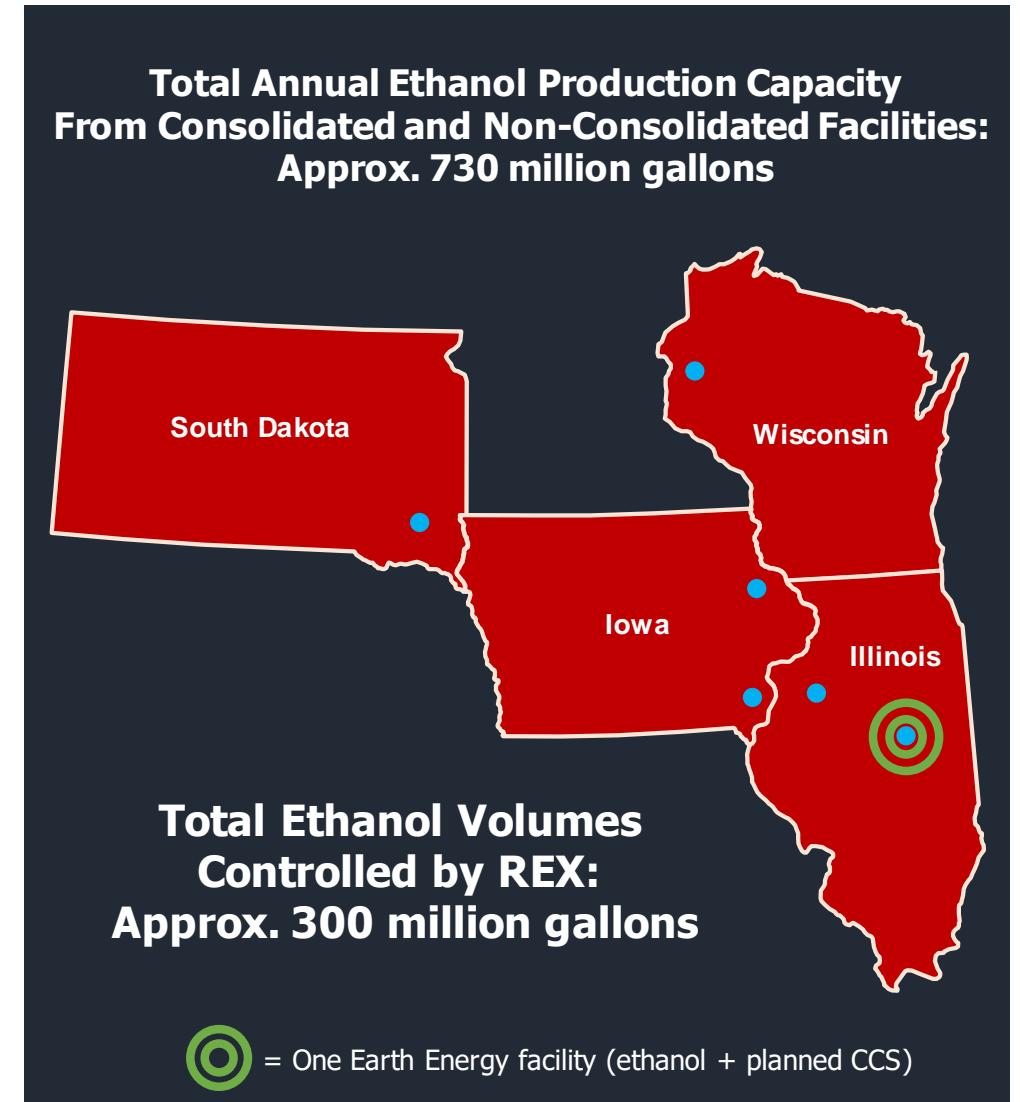
Historically profitable ethanol business serves as foundation for strong balance sheet position

¹As of January 31, 2024

Ethanol Production



- REX has interest in the ethanol production from six facilities spread across four states in the Midwest, which are located in:
 - Marion, SD – majority owned
 - Gibson City, IL – majority owned
 - Galva, IL
 - West Burlington, IA
 - Boyceville, WI
 - Dyersville, IA
- Total production capacity for all facilities: approx. 730 million gallons/year
 - REX total ownership: approx. 300 million gallons/year
- All facilities are located on major Class 1 rail lines for easy shipment
- In addition to ethanol, both consolidated facilities combined can produce approximately 735,000 tons of distiller grain and approximately 93 million pounds of corn oil products per year





One Earth Energy

- Under development since 2019
- Project co-located with REX's Gibson City, IL ethanol production facility, which will produce approx. 560,000 tons of carbon per year
- Project designed to sequester up to 90 million tons of carbon in three underground injection wells
- Project is designed to take advantage of 45Q and 45Z tax credits provided for in the Inflation Reduction Act
- Construction of facility began in Q3 2023, with completion of carbon capture and compression facility slated for completion by July 2024
- Currently awaiting approval for Class VI well permit from US Environmental Protection Agency, approval of a 6-mile carbon pipeline by the Illinois Commerce Commission, a special zoning use permit from McLean County, IL, and other approvals and permits



CCS facility under construction – Feb. 2024

CCS operations will initially sequester carbon produced by the One Earth Energy ethanol plant; in later stages, the facility is planned to accept third-party carbon for sequestration for a fee

2023 Was a Standout Year

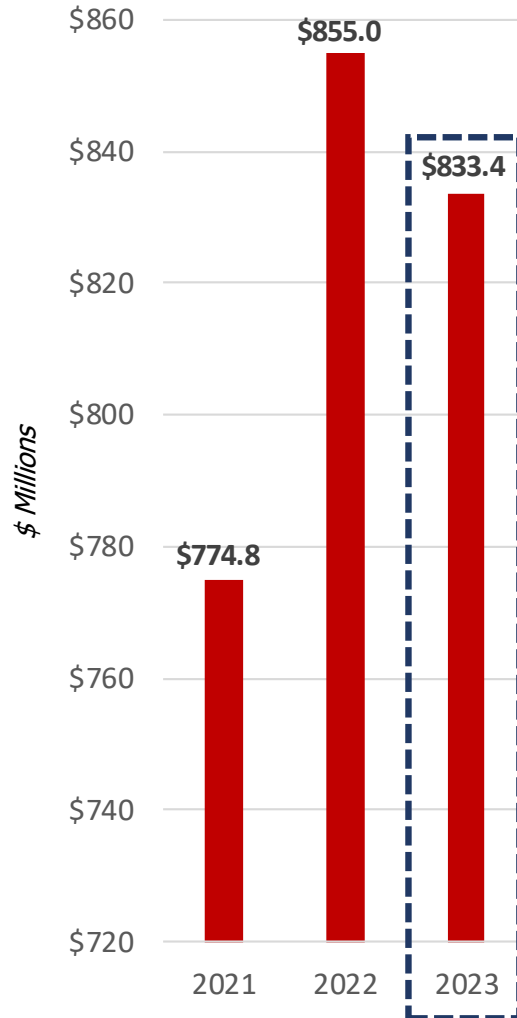


Product Sales

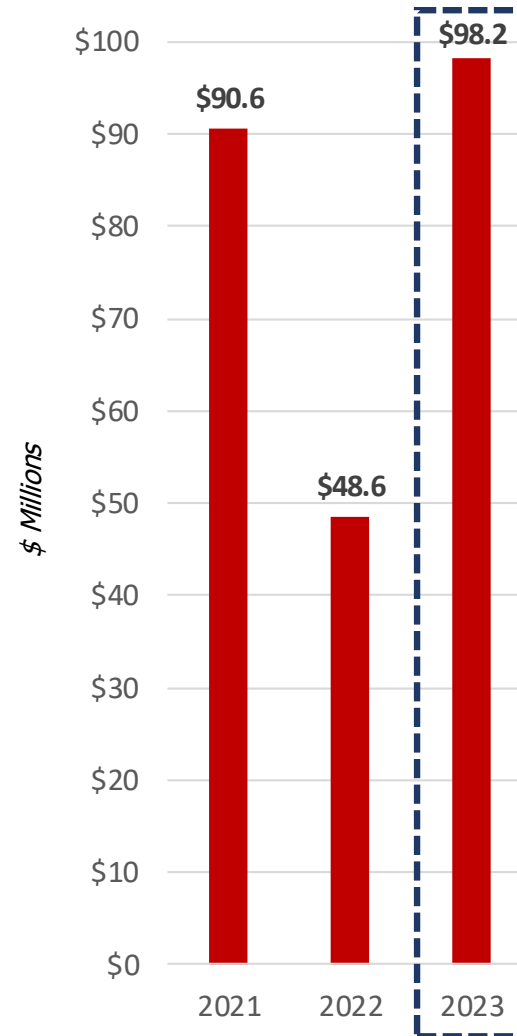
- Ethanol sales totaled 285.9 million gallons for FY 2023
- Plant utilization finished the year at 95.3%
- Sales of ethanol related co-products in FY 2023:
 - 651,698 tons of DDG
 - 53,936 tons of MDG
 - 87.5 million pounds of corn oil
- Ethanol average selling price per gallon was \$2.22¹ for FY 2023

¹ Net of hedging

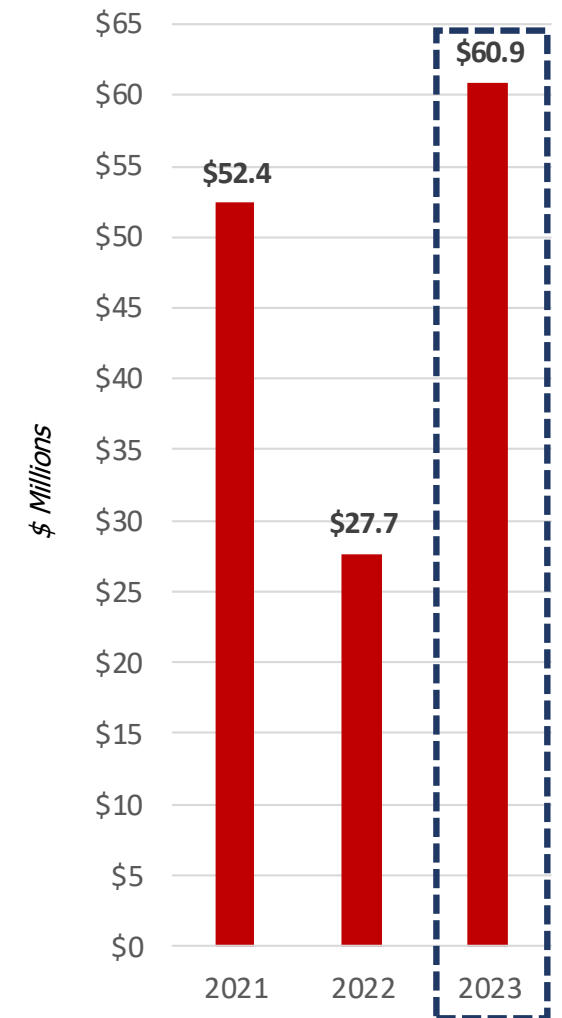
Total Annual Product Revenue 2021-2023



Total Annual Gross Profit 2021-2023



Total Annual Net Income 2021-2023



Ethanol Operations



REX Consolidated Ethanol Facilities



- NuGen Energy, LLC
- Located in Marion, SD
- REX Ownership Interest: 99.7%
- Annual Production Capacity: ~150 MM gallons



- One Earth Energy, LLC
- Located in Gibson City, IL
- REX Ownership Interest: 75.8%
- Annual Production Capacity: ~150 MM gallons
- Expansion to 200 MM gal/yr. planned by 2025



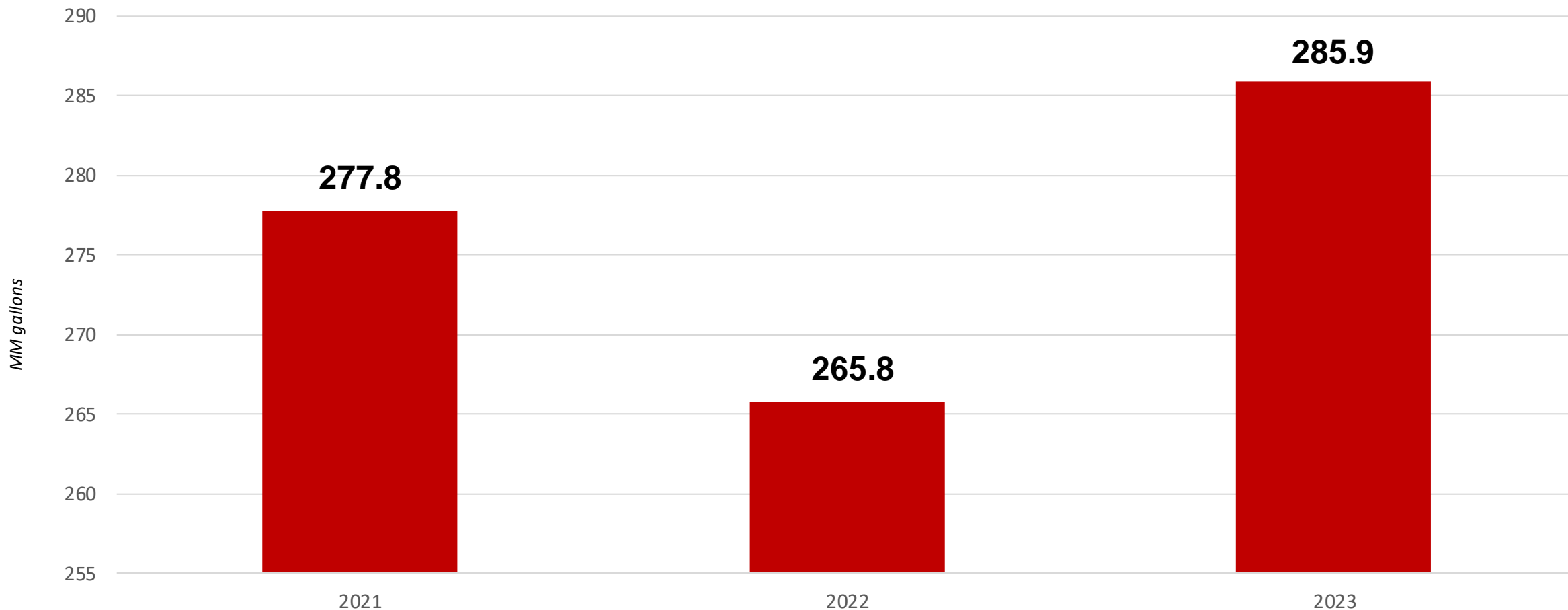
Non-Consolidated REX Ethanol Production Facilities



 <p>Wisconsin</p>	<p><u>Big River Resources Boyceville, LLC</u></p> <ul style="list-style-type: none">▪ Located in Boyceville, WI▪ REX Ownership Interest: 10.3%▪ Annual Production Capacity: 65 million gallons	<p><u>Big River Resources W. Burlington, LLC</u></p> <ul style="list-style-type: none">▪ Located in W. Burlington, IA▪ REX Ownership Interest: 10.3%▪ Annual Production Capacity: 115 million gallons	 <p>Iowa</p>
 <p>Illinois</p>	<p><u>Big River Resources Galva, LLC</u></p> <ul style="list-style-type: none">▪ Located in Galva, IL▪ REX Ownership Interest: 10.3%▪ Annual Production Capacity: 120 million gallons	<p><u>Big River United Energy, LLC</u></p> <ul style="list-style-type: none">▪ Located in Dyersville, IA▪ REX Ownership Interest: 5.7%▪ Annual Production Capacity: 130 million gallons	 <p>Iowa</p>

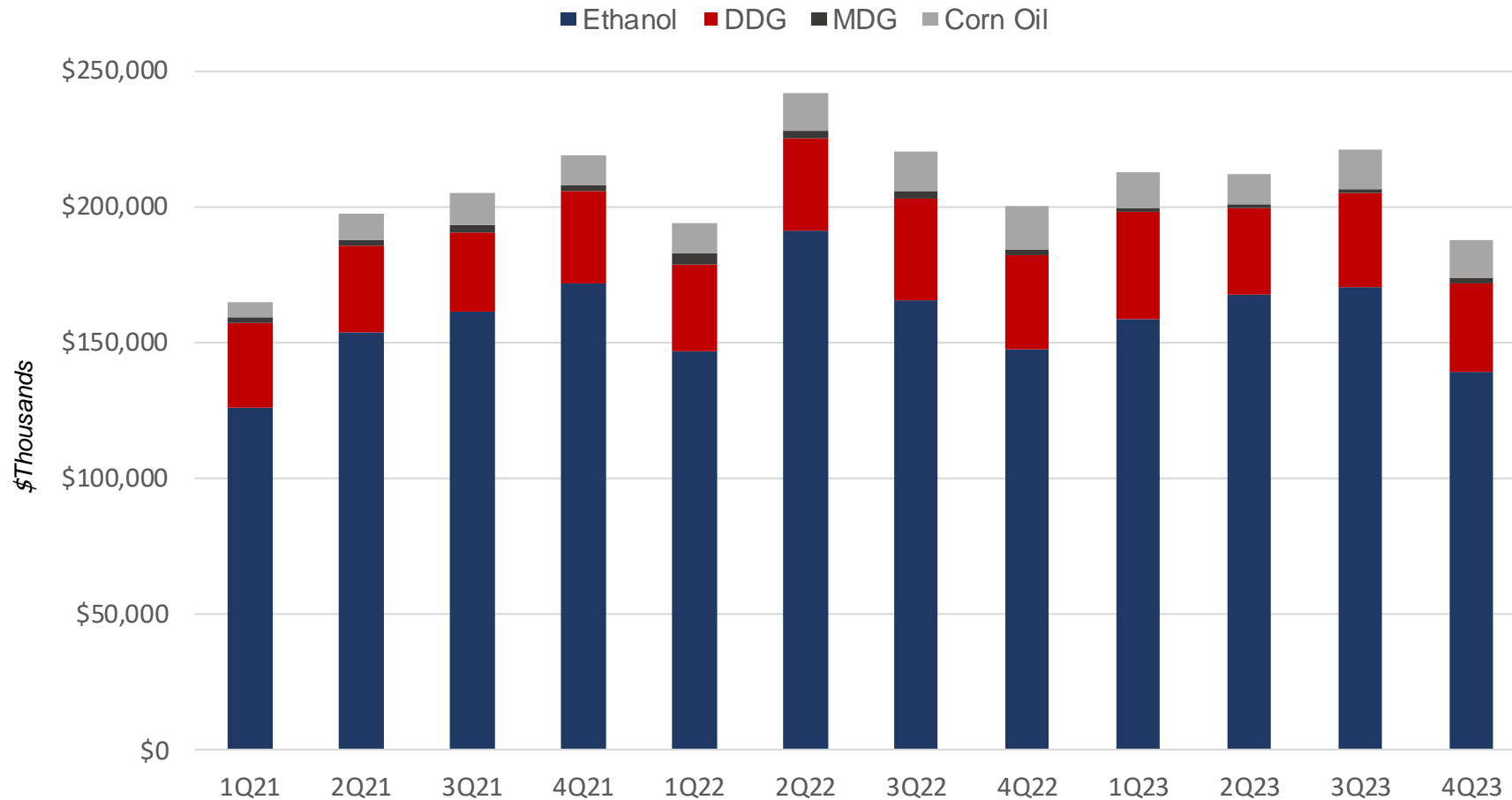
Non-consolidated plants contribute 13% of REX total ethanol ownership

REX Consolidated Annual Ethanol Sales Volumes, 2021-2023



All REX ethanol facilities were designed and built by Fagen/ICM, utilizing similar technology; This approach helps to drive efficiencies and ease of operation, while also reducing overall costs

REX Consolidated Product Revenue by Quarter, 2020-2023



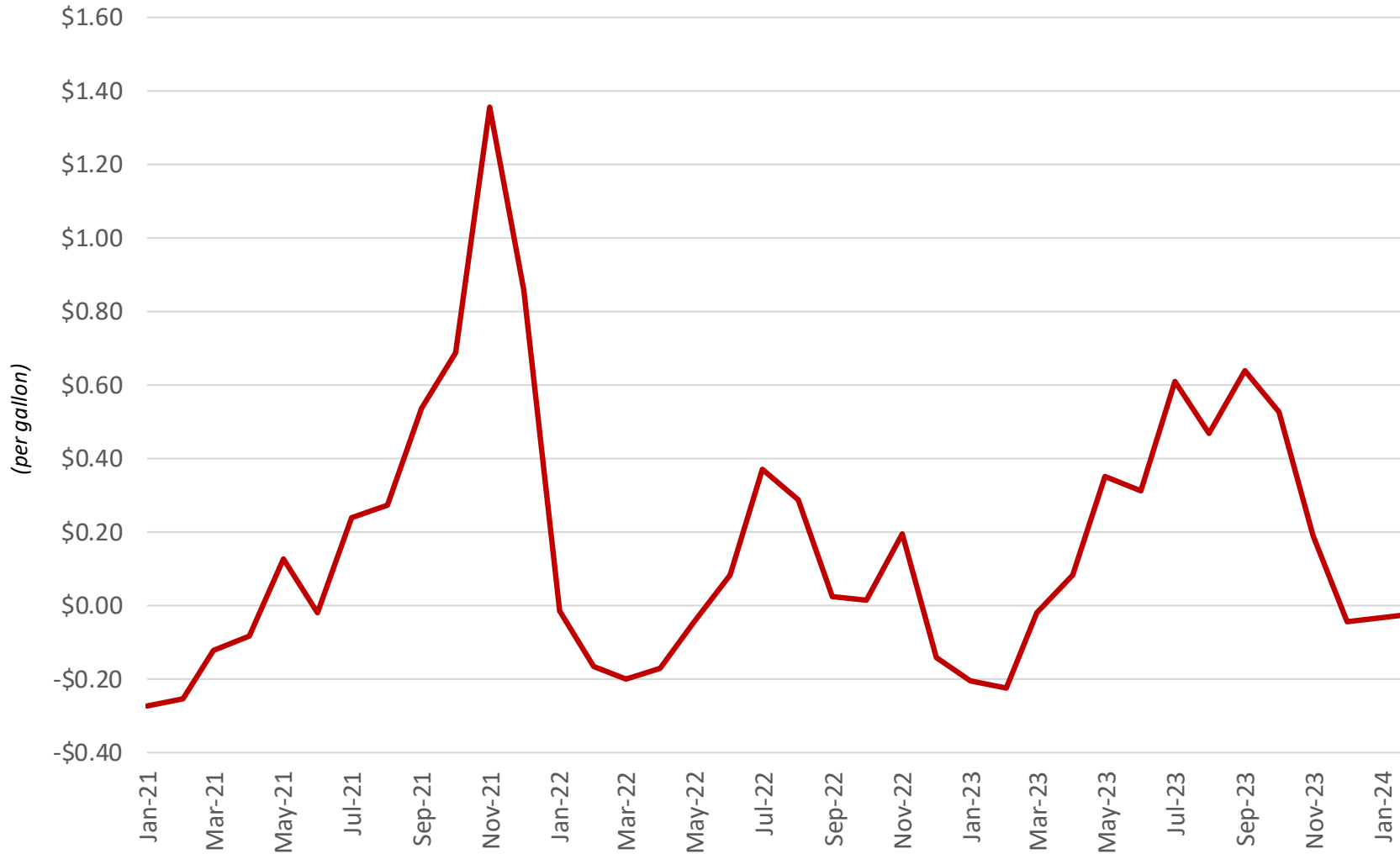
FY 2023 Product Revenue

- **Ethanol**
 - \$635.4 million¹ (76.3% of FY 2023)
 - Avg. selling price/gal: \$2.22¹
- **Dry Distillers Grain (DDG)**
 - \$139.2 million (16.7% of FY 2023)
 - Avg. selling price/ton: \$213.55
- **Modified Distillers Grains (MDG)**
 - \$5.6 million (0.7% of FY 2023)
 - Avg. selling price/ton: \$103.54
- **Corn Oil**
 - \$52.9 million (6.4% of FY 2023)
 - Avg. selling price/lb.: \$0.60

Revenue fluctuations throughout the year are impacted by realized commodity corn pricing

¹ Net of hedging

Crush Spread Reflects Seasonality



Crush Spread Outlook

- Crush spread is an indication of the profitability of corn-derived ethanol
- Crush spread calculation is as follows:
 - One bushel of corn makes ~2.8 gallons of ethanol
 - $\text{Crush Spread} = \text{Ethanol Price per Gallon} - (\text{Corn Price per Bushel} / 2.8)^1$
- Crush spread excludes other costs such as production, transportation, etc.
- Volatility in commodity corn prices, seasonal fluctuations in demand for ethanol and other factors all factor into crush spread changes
- Consistent monitoring of the crush spread and opportunism to lock in pricing are essential

¹Calculations based on Platt's average monthly ethanol pricing and CBOT average monthly corn pricing

Carbon Capture & Sequestration





2025

2028+



One Earth Carbon Storage Potential

- CCS compression facility construction completion anticipated in 2024
- One Earth has filed permits for three Class VI injection wells with a total storage capacity of 90 million tons
- Project to store approx. 560,000 tons of carbon per year from One Earth facility operations



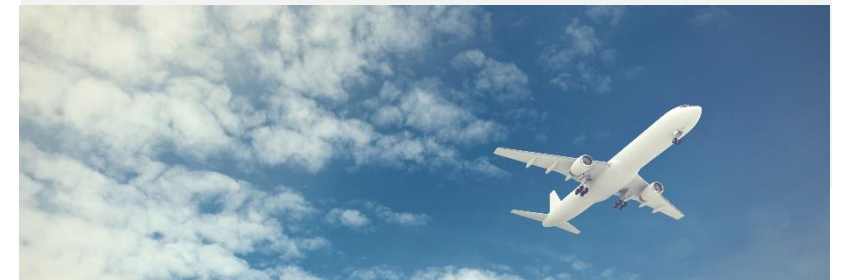
Excess Storage Capacity Potential

- Excess storage capacity could be used in the future to sequester carbon from third party emitters for a fee



Sustainable Aviation Fuel (SAF)

- Potential additional market for low-carbon ethanol to be used as a feedstock for SAF production





Project Details

- Pursued in partnership with the University of Illinois
- Carbon capture operations at One Earth Energy designed to capture carbon emissions from co-located ethanol plant (est. 560,000 tons/year)
- REX has submitted applications for 3 Class VI injection well permits with total sequestration capacity of 90 million tons of carbon

Upcoming Milestones / Timeline

- Construction of carbon compression facility begun in Q3 2023 (est. completion by July 2024)
- Permit for Class VI injection well under review by EPA for carbon sequestration project at Gibson City, IL facility
- Permit application for a 6-mile carbon pipeline under review by Illinois Commerce Commission
- Special use zoning permit application approval by McLean County, IL



- Fagen Inc. will lead integration with existing Gibson City ethanol plant for the One Earth project
- Integration experience from previous work on CO₂ sequestration project in North Dakota
- REX has worked with Fagen on all existing ethanol facilities



- Salof Ltd. will provide complete modular CO₂ liquefaction and sequestration system to the One Earth project
- Salof has more than 30 years' experience in the CO₂ liquefaction and sequestration industry



SUMMIT
CARBON
SOLUTIONS

- As previously announced, REX has entered into an agreement with Summit Carbon Solutions
- Per the agreement, Summit Carbon Solutions would purchase carbon produced at REX's NuGen Energy facility



45Q Program

- Credit of \$85 per ton of carbon sequestered
- Available for the first 12 years after project begins operation
- Taxpayer can elect direct pay during first 5 years
- Potential tax credits of approx. \$36 million annually



45Z Program

- Credits can be earned at a rate of approximately \$0.02 for each gallon of ethanol produced for each 1-point reduction in carbon intensity (CI) score below 50
- Only available during calendar years 2025-2027
- Potential tax credits of approx. \$150 million annually

During '25-'27 Period, Taxpayer May Elect To Participate In The Most Economically Beneficial Program

Financial Update



Key Financial Metrics



\$ in 000s, except (\$/gal) and per share info.	4Q 2022	1Q 2023	2Q 2023	3Q 2023	4Q 2023
Net Sales and Revenue	\$200,167	\$212,714	\$211,977	\$221,079	\$187,614
Gross Profit	\$13,318	\$10,166	\$18,352	\$39,290	\$30,410
SG&A	(\$5,138)	(\$5,769)	(\$8,618)	(\$7,609)	(\$7,383)
Average ethanol selling price (\$/gal)	\$2.31	\$2.21	\$2.42	\$2.32	\$1.94
Diluted net income per share attributable to REX common shareholders	\$0.47	\$0.30	\$0.52	\$1.49	\$1.16
Weighted average diluted shares outstanding	17,416	17,439	17,460	17,531	17,657

- Full fiscal year 2023 net income per share was the second highest annual total in company history; Q4 2023 net income per share was the second-best Q4 net income result in company history
- Gross profit in Q4 2023 remained strong; result was 128% higher than reported gross profit during Q4 2022

Strong Balance Sheet



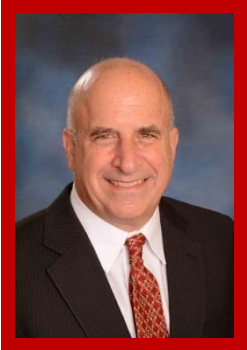
\$ in 000s	4Q 2022	1Q 2023	2Q 2023	3Q 2023	4Q 2023
Cash, Cash Equivalents & Short-term Investments	\$280,943	\$265,810	\$284,375	\$332,000	\$378,657
Total Current Assets	\$372,644	\$360,956	\$387,943	\$418,085	\$452,103
Total Current Liabilities	\$54,599	\$36,189	\$47,541	\$48,690	\$66,259
Working Capital	\$318,045	\$324,767	\$340,402	\$369,395	\$385,844
Total REX Equity (excludes non-controlling interests)	\$447,982	\$453,641	\$466,560	\$492,993	\$513,918

- Cash, cash equivalents and short-term investments increased approximately 35% year-over-year from 4Q 2022 to 4Q 2023
- Working capital improved in-line with strong earnings during the year
- REX continues to carry no bank debt; only debt is related to right-of-use agreements for railcars

Appendix

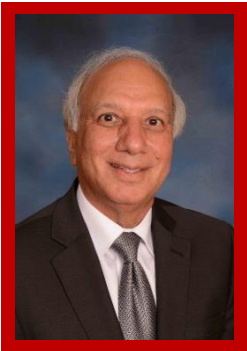


Experienced Management Team



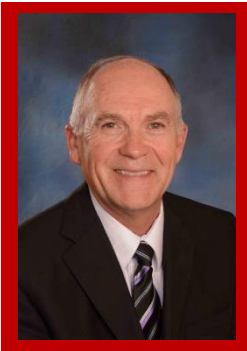
Stuart Rose - Founder, Executive Chairman of the Board

Mr. Rose was elected Executive Chairman of the Board in 2015. Mr. Rose had served as Chairman of the Board and Chief Executive Officer since the Company's incorporation in 1984 as a holding company. Prior to 1984, Mr. Rose was Chairman of the Board and Chief Executive Officer of Rex Radio and Television, Inc., which he founded in 1980 to acquire the stock of a corporation which operated four retail stores.



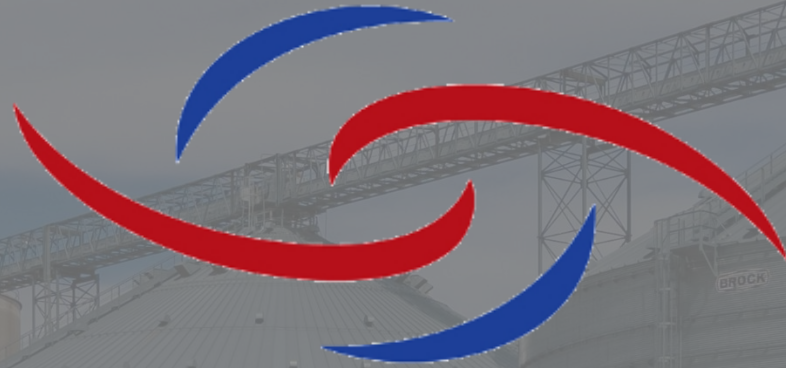
Zafar Rizvi - Chief Executive Officer

Mr. Rizvi was elected Chief Executive Officer in 2015. Mr. Rizvi has been President and Chief Operating Officer since 2010, was Vice President from 2006 to 2010 and has been President of Farmers Energy Incorporated, the Company's alternative energy investment subsidiary, since 2006. From 1991 to 2006, Mr. Rizvi was the Company's Vice President of Loss Prevention.



Douglas Bruggeman - Chief Financial Officer

Mr. Bruggeman has been Vice President Finance & Treasurer since 1989 and was elected Chief Financial Officer in 2003. From 1987 to 1989, Mr. Bruggeman was Manager of Corporate Accounting. Mr. Bruggeman was employed with the accounting firm of Ernst & Young prior to joining the Company in 1986.



REX American Resources Corporation

Contact

rexamerican@icrinc.com