



REX American Resources Corporation

August 2024 Investor Presentation

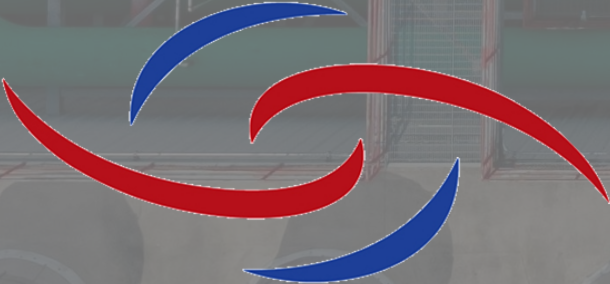
NYSE: REX

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



REX American Overview



Established, Mature Company

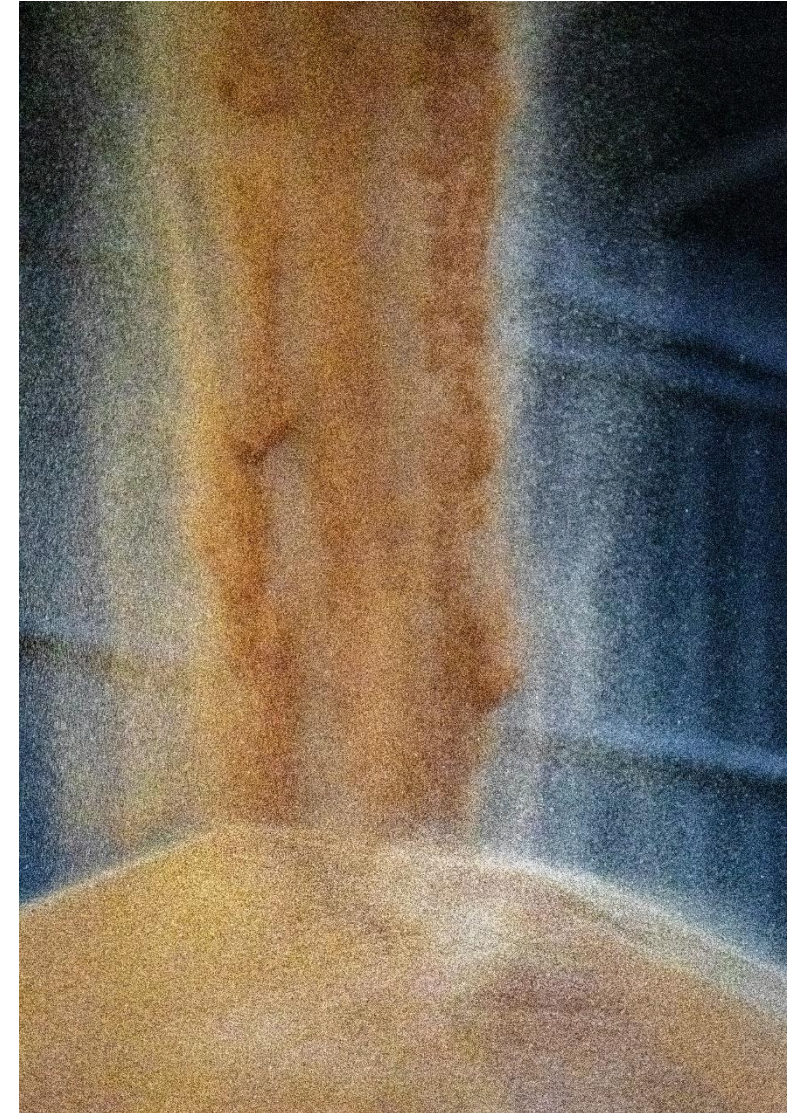
- Publicly traded on the NYSE since 1984; currently traded under the ticker symbol “REX”
- Headquartered in Dayton, OH

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
- Expansion of ethanol production capacity from 150 million to 200 million gallons per year at One Earth Energy facility to add to earnings power

Focus on Profitable Execution

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



REX American Second Quarter 2024 Financial Highlights



\$148.2

million

Net Sales and Revenue

\$19.8

million

Gross Profit

\$0.70

Per diluted share

Net Income Attributable
to Shareholders

Cash, Cash Equivalents & ST Investments
\$346.0 million¹

Working Capital
\$367.0 million¹

No Bank Debt

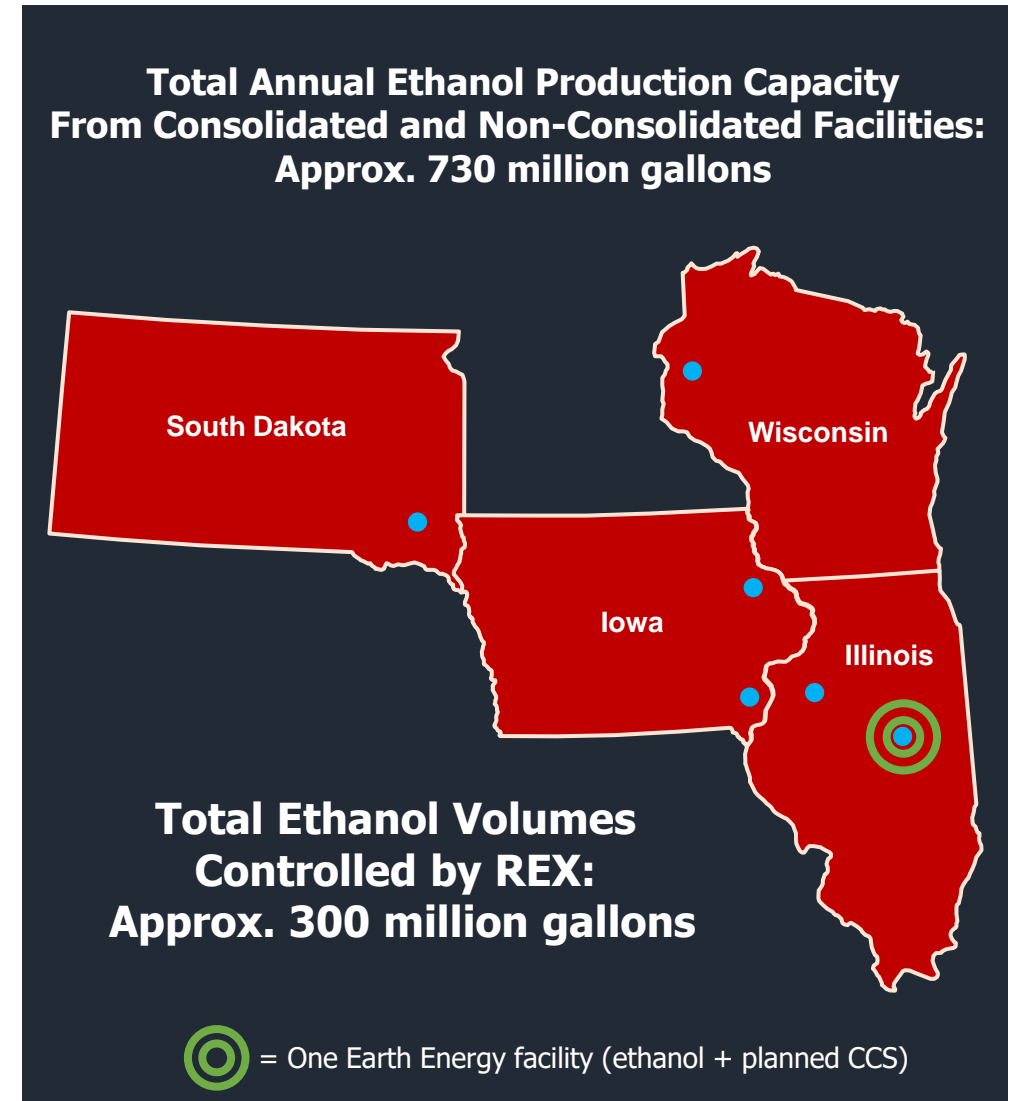
Historically profitable ethanol business serves as foundation for strong balance sheet position

¹As of July 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



Carbon Capture and Sequestration



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
- Three underground injection wells will have capacity to sequester 90 million tons of carbon
- Project is designed to take advantage of 45Q and 45Z tax credits provided for in the Inflation Reduction Act
- Construction of carbon capture and compression facility began in Q3 2023
- Construction is ongoing; utility interconnection planned for Q1 2025
- Currently awaiting approval for Class VI well permit from US Environmental Protection Agency, a special zoning use permit from McLean County, IL, and other approvals and permits; pipeline permitting from Illinois Commerce Commission currently under moratorium



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

Second Quarter 2024 Saw Improved Margin and Net Income

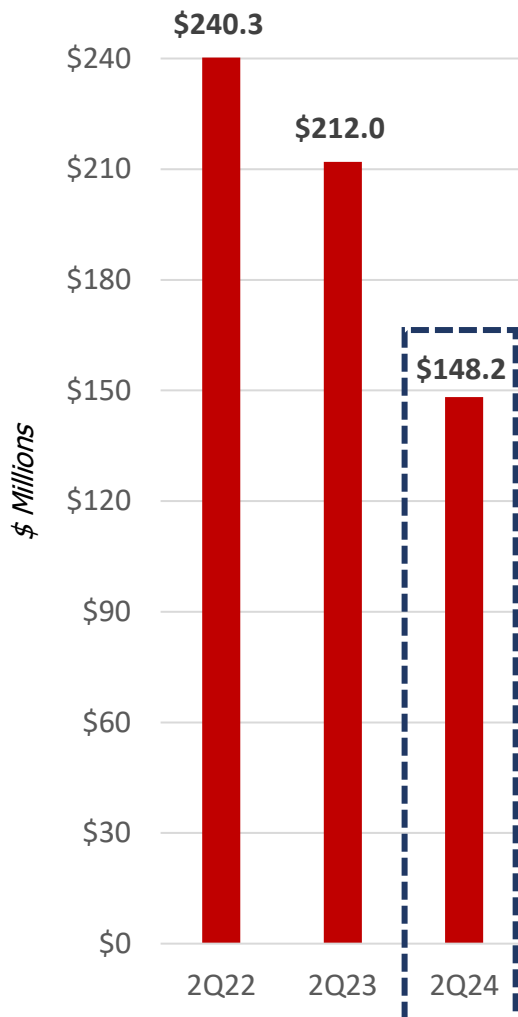


Product Sales

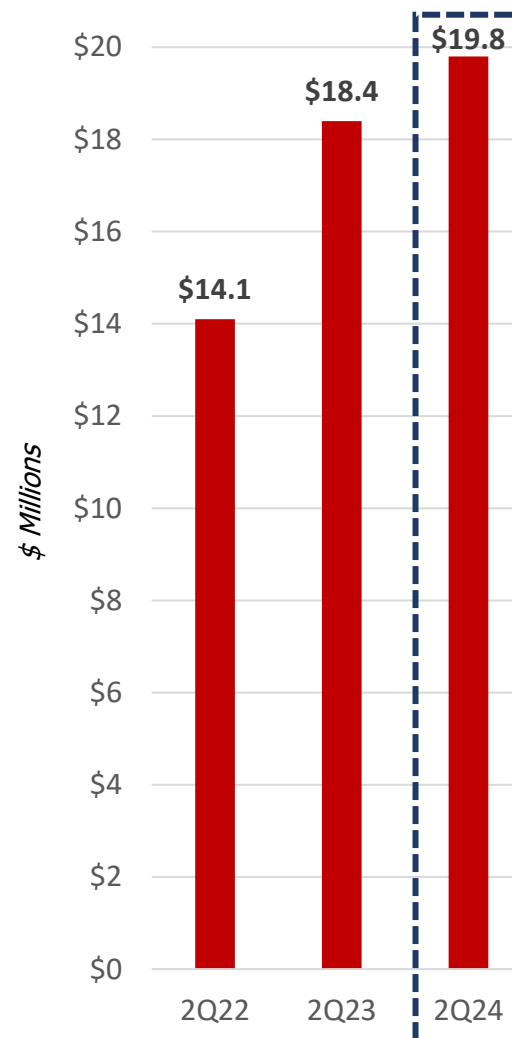
- Ethanol sales totaled 65.1 million gallons for Q2 2024
- Plant utilization finished Q2 at 86.7%
- Sales of ethanol related co-products in Q2 2024:
 - 132,850 tons of DDG
 - 17,650 tons of MDG
 - 20.2 million pounds of corn oil
- Ethanol average selling price per gallon was \$1.79¹ for Q2 2024

¹ Net of hedging

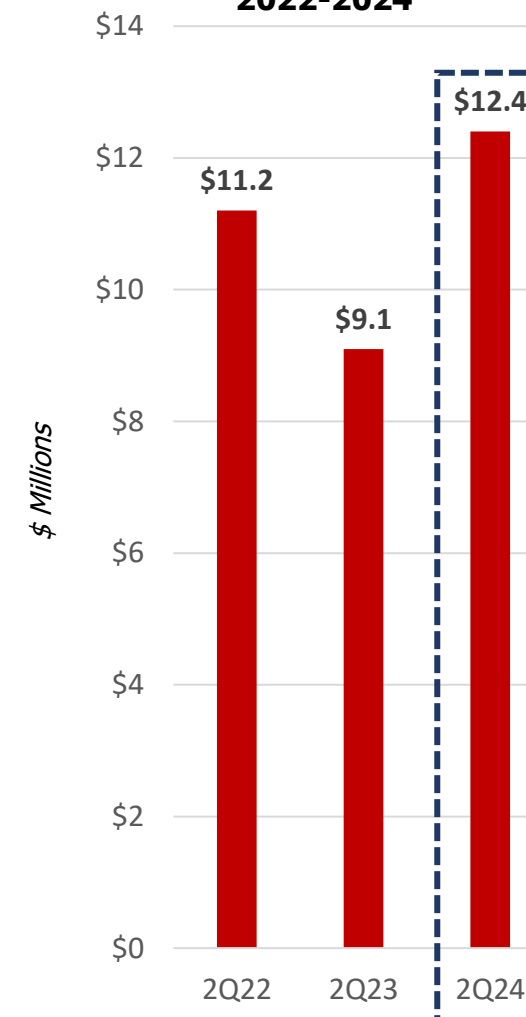
Total Quarterly Q2 Product Revenue
2022-2024



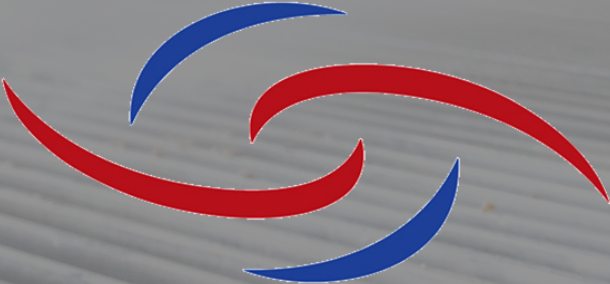
Total Quarterly Q2 Gross Profit
2022-2024



Total Quarterly Q2 Net Income
Attributable to REX Shareholders
2022-2024



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: 75.9%
- Annual Production Capacity: ~150 MM gallons
- Expansion to 200 MM gal/yr. planned by 2025



Non-Consolidated REX Ethanol Production Facilities



Big River Resources Boyceville, LLC

- Located in Boyceville, WI
- REX Ownership Interest: 10.3%
- Annual Production Capacity: 65 million gallons

Big River Resources W. Burlington, LLC

- Located in W. Burlington, IA
- REX Ownership Interest: 10.3%
- Annual Production Capacity: 115 million gallons



Big River Resources Galva, LLC

- Located in Galva, IL
- REX Ownership Interest: 10.3%
- Annual Production Capacity: 120 million gallons

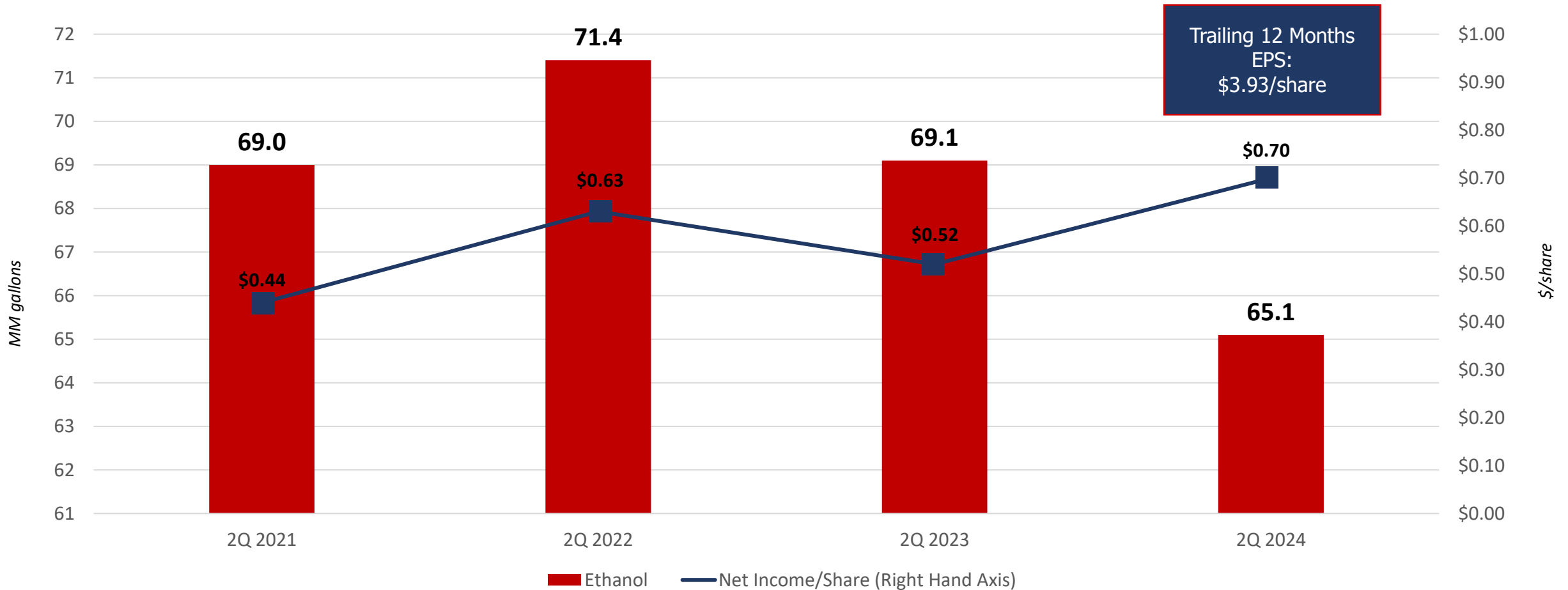
Big River United Energy, LLC

- Located in Dyersville, IA
- REX Ownership Interest: 5.7%
- Annual Production Capacity: 130 million gallons



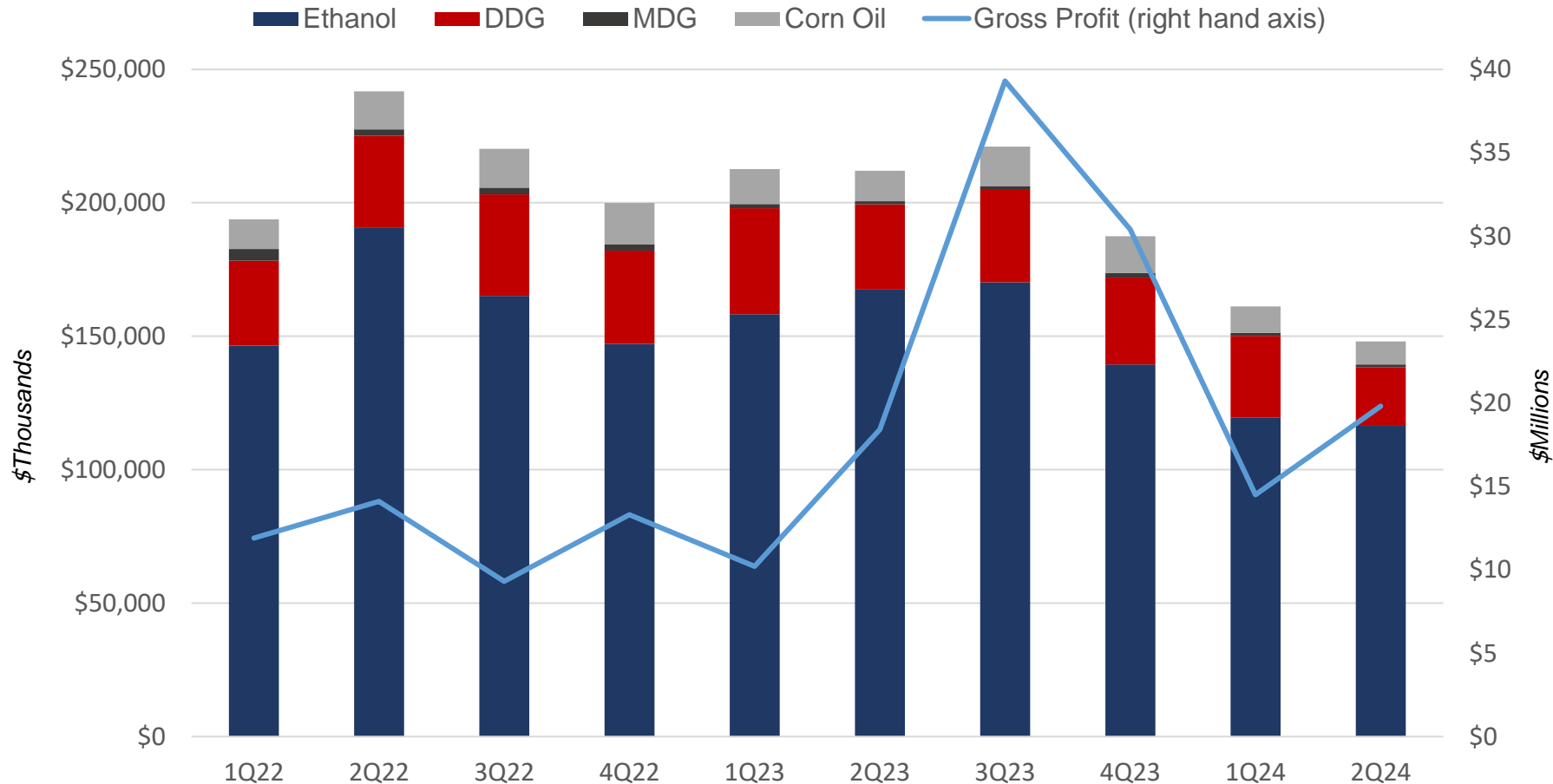
Non-consolidated plants contribute 13% of REX total ethanol ownership

REX Consolidated Q2 Ethanol Sales Volumes and Net Income/Share, 2021-2024



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, 2022-2024



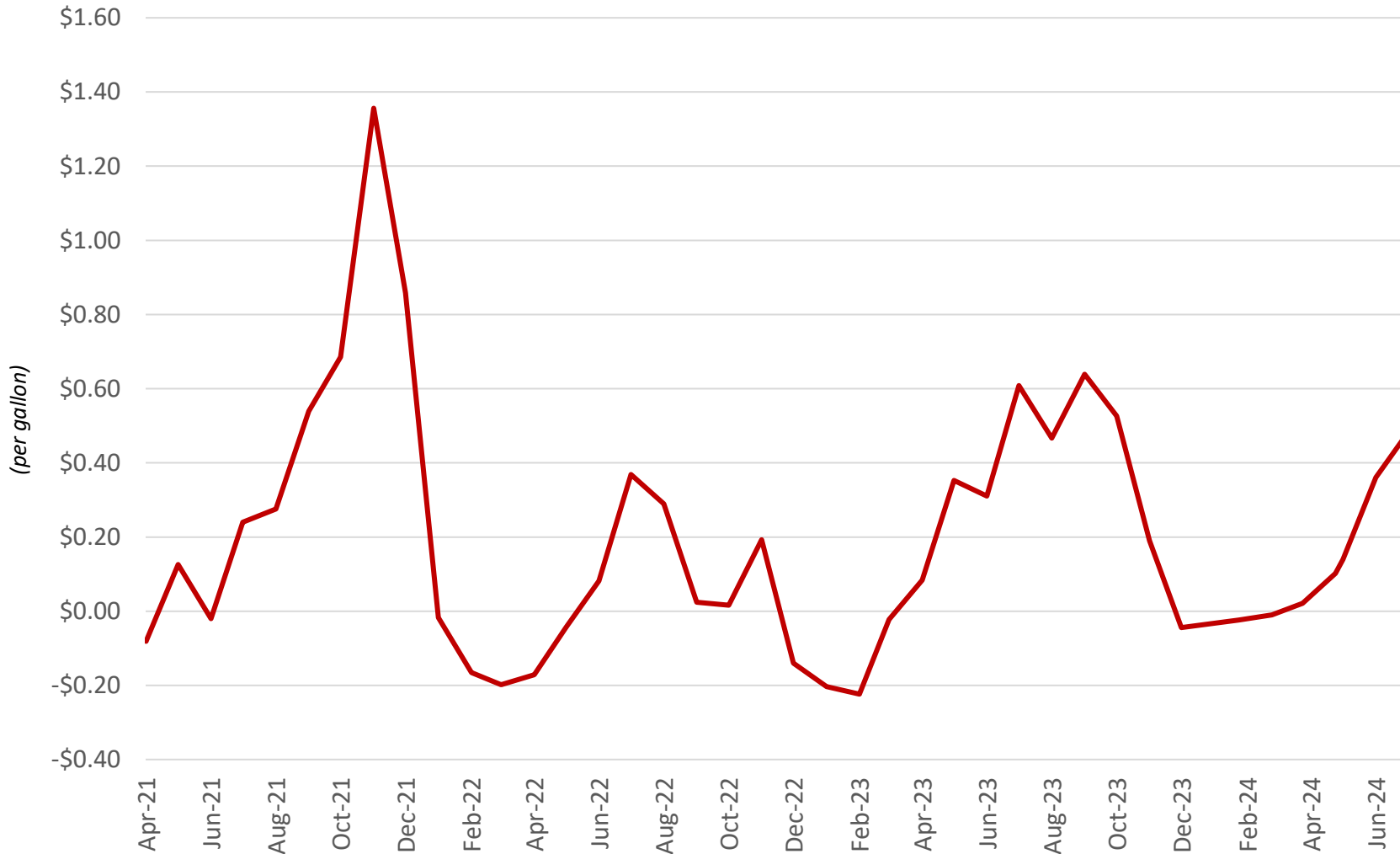
Q2 2024 Product Revenue

- **Ethanol**
 - \$116.5 million¹ (78.6% of Q2 2024)
 - Avg. selling price/gal: \$1.79¹
- **Dry Distillers Grain (DDG)**
 - \$21.8 million (14.7% of Q2 2024)
 - Avg. selling price/ton: \$164.45
- **Modified Distillers Grains (MDG)**
 - \$1.1 million (0.7% of Q2 2024)
 - Avg. selling price/ton: \$63.61
- **Corn Oil**
 - \$8.6 million (5.8% of Q2 2024)
 - Avg. selling price/lb.: \$0.43

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

¹ Net of hedging

Crush Spread Reflects Seasonality (Platt's/CBOT)

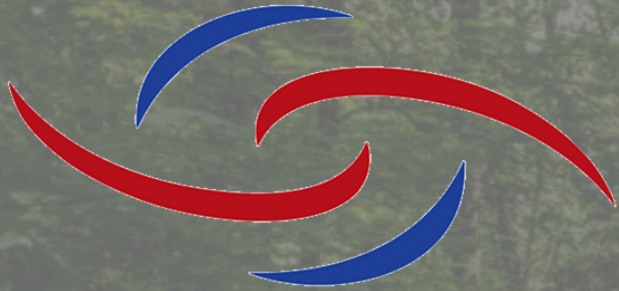


Crush Spread Outlook

- 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 capture and compression facility construction is proceeding
- One Earth applied for permits for three Class VI injection wells with a total storage capacity of 90 million tons in October 2022
- Project to store approx. 560,000 tons of carbon per year from One Earth facility operations



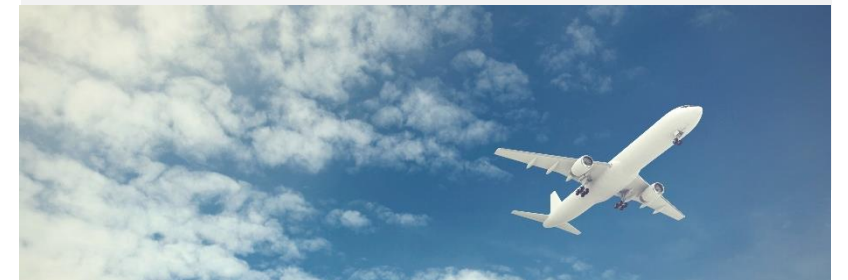
Excess Storage Capacity Potential

- 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





Interior of carbon capture facility (August 2024)



Ongoing utility interconnection work (August 2024)

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)
- One Earth submitted applications for 3 Class VI injection well permits with total sequestration capacity of 90 million tons of carbon in October 2022

Milestones / Timeline

- ✓ Secured consent from 100% of landowners for use of land for pipeline route for injection wells 1 and 2
- ✓ Secured sufficient subsurface easements to allow for sequestration of all carbon emissions from the One Earth facility for 15 years
- Permit for Class VI injection well under technical review by EPA for carbon sequestration project at Gibson City, IL facility
- Special use zoning permit application approval required by McLean County, IL
- Illinois Commerce Commission carbon dioxide pipeline permits now under moratorium pending new Federal PHMSA pipeline safety rules, or July 1, 2026, whichever is first to occur



- 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



- 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 credit benefits to REX 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 credit benefits to REX 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.	2Q 2023	3Q 2023	4Q 2023	1Q 2024	2Q 2024
Net Sales and Revenue	\$211,977	\$221,079	\$187,614	\$161,231	\$148,155
Gross Profit	\$18,352	\$39,290	\$30,410	\$14,451	\$19,773
SG&A	(\$8,618)	(\$7,609)	(\$7,383)	(\$6,111)	(\$6,440)
Average ethanol selling price (\$/gal)	\$2.42	\$2.32	\$1.94	\$1.60	\$1.79
Diluted net income per share attributable to REX common shareholders	\$0.52	\$1.49	\$1.16	\$0.58	\$0.70
Weighted average diluted shares outstanding	17,460	17,531	17,657	17,664	17,671

- Fiscal second quarter 2024 net income per share was 35% higher than for Q2 2023 and 21% higher than in Q1 2024
- Gross profit in Q2 2024 improved despite lower ethanol pricing and lower volumes sold due to improved corn and natural gas pricing; result was 8% higher than reported gross profit during Q2 2023

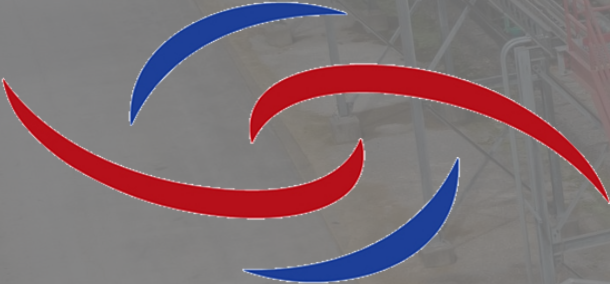
Strong Balance Sheet



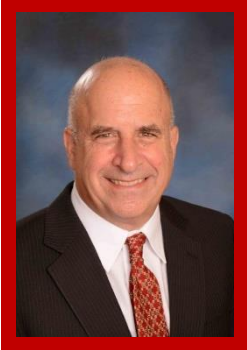
\$ in 000s	2Q 2023	3Q 2023	4Q 2023	1Q 2024	2Q 2024
Cash, Cash Equivalents & Short-term Investments	\$284,375	\$332,000	\$378,657	\$351,764	\$345,982
Total Current Assets	\$387,943	\$418,085	\$452,103	\$421,613	\$418,914
Total Current Liabilities	\$47,541	\$48,690	\$66,259	\$62,700	\$51,909
Working Capital	\$340,402	\$369,395	\$385,844	\$358,913	\$367,005
Total REX Equity (excludes non-controlling interests)	\$466,560	\$492,993	\$513,918	\$524,467	\$539,633

- Cash, cash equivalents and short-term investments increased approximately 22% year-over-year from 2Q 2023 to 2Q 2024
- Working capital declined compared to year end 2023 due to expenditures on the One Earth Energy carbon capture and ethanol production expansion project
- REX continues to carry no bank debt; only debt is related to right-of-use agreements for railcars

Appendix

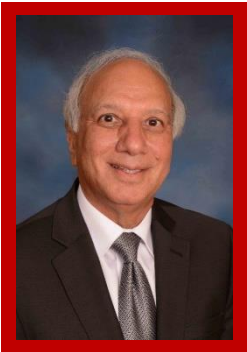


Experienced Management Team



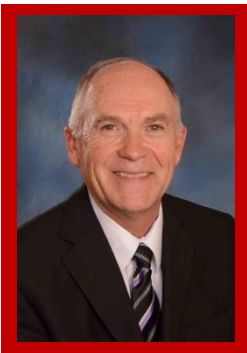
Stuart Rose - Founder, Executive Chairman of the Board

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.



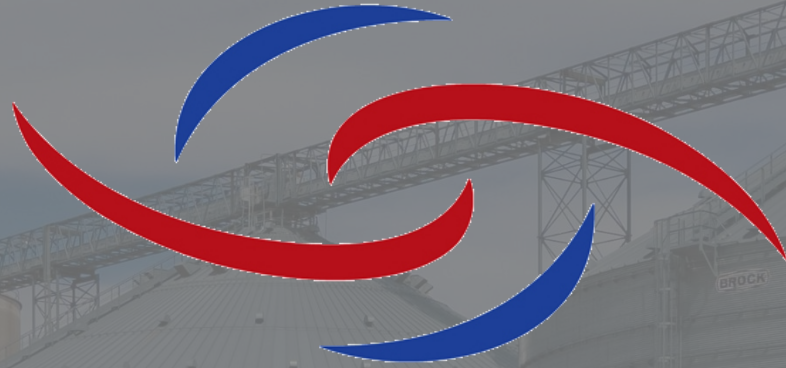
Zafar Rizvi - Chief Executive Officer

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

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