Quarterly Report

For the period ended 30 September 2010

HIGHLIGHTS

- **Letter of Intent signed with Australian subsidiary of Canadian mining major Teck Resources to target large zinc-lead deposits in the McArthur Basin in the NT including Myrtle.**
- **Teck may sole fund an initial $5 million to earn a 51% interest and a total of $15 million expenditure to ultimately earn a 70% interest.**
- **Teck to take a placement of 10 million Rox shares at 5 cents per share, a significant premium to the share price at the time of the announcement.**
- **Rox acquires additional ground adjacent to Myrtle bringing total land-holding to 669 km^2.**
- **Rox applies for Marqua project tenements covering more than 2,400 km^2 with known phosphate occurrences along a 20km strike length.**
- **Surface sampling at Marqua has recorded outcrop samples up to 39.4% P_2O_5, and drilling has recorded high grade intercepts, including:**

  2m @ 45.8% P_2O_5
  5m @ 23.7% P_2O_5
  6m @ 19.9% P_2O_5
  3m @ 25.1% P_2O_5
  2m @ 33.5% P_2O_5

- **Potentially new phosphate area within major Australian hard rock phosphate province, Georgina Basin.**

MYRTLE ZINC-LEAD PROJECT, NT

Tenement Acquisition

During the quarter, and following the agreement reached with North Mining Limited ("North", a 100% owned subsidiary of Rio Tinto Limited), for the removal of the $1/tonne payment over the Reward project and the Myrtle deposit, Rox Resources Limited ("Rox") reached agreement with Legend International Holdings ("Legend") to acquire two additional exploration licences, EL 23515 and EL 26406 adjacent to the Myrtle deposit.

The acquisition of the two exploration licences increases Rox's land holding in the project area (which has been grossly under-explored) to 669.1 km^2, and covers a number of known base metal occurrences including the Mitchell Yard and Teena prospects (Figure 1).

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At Mitchell Yard, a south-west plunging syncline has been identified within prospective host rocks (coloured brown in Figure 1) and a large pyritic system over 1,000 metres long is present. Soil sampling has defined surface geochemical anomalies, and shallow auger drilling has returned results of 6,000ppm zinc from 3 metres and 4,000ppm zinc from 4 metres deep in adjacent holes 100 metres apart.

Previous drilling has returned results of 0.7 – 1.1% zinc in pyritic shale, with specks of lead and zinc sulphide minerals. This is similar to early exploration results from Myrtle.

At the Teena prospect, a shallow costean excavated by previous explorers averaged 4% lead over 3.6 metres width across a strike length of 60 metres. Soil sampling identified strong zinc and lead-in-soil anomalies peaking at 2,800ppm zinc and 1,600ppm lead. A historic drill hole intersected values of up to 1.9% zinc and 0.4% lead within pyritic shale at about 60 metres depth.

There are numerous other prospects for discovery of zinc-lead mineralisation including Berjaya, Bindawoogie, Barney Creek Basin, and Buffalo Lagoon (Figure 1).

Consideration for the two tenements acquired from Legend is the issue of 3 million fully paid shares in Rox, retention of the rights to all diamonds by Legend, and a 2% net smelter royalty payable to Legend from any minerals mined other than diamonds.

Joint Venture With Teck Resources

The agreements with North and Legend were necessary precursors to consummation of the key terms of a farm-in and joint venture with Teck Australia Pty Ltd, the wholly-owned Australian subsidiary of major Canadian mining company Teck Resources Limited ("Teck") that will see accelerated exploration of the Myrtle zinc-lead deposit and surrounding tenements.

As part of the arrangement, Teck will become Rox's second largest shareholder (4.0%) behind Rio Tinto Exploration (8.0%).

The agreement is subject to a 25 km Area of Influence, but excludes tenements beneficially owned by Xstrata within the Area of Influence (Figure 1).

The key commercial terms of the Teck agreement are:

- Teck may farm-in to the tenements to earn a 51% interest by spending $5 million over 4 years.
- Teck may earn a further 19% interest (for 70% total) by spending an additional $10 million ($15 million total) over an additional 4 years.
- A minimum of $1 million to be spent by 21 July 2012, including a minimum of 2,000 metres of diamond drilling before Teck can withdraw.
- Teck will subscribe $500,000 for a placement of 10 million shares in Rox at a price of $0.05 per share.

Teck will be manager of the proposed joint venture while it holds a majority interest, or is sole contributor to expenditure. The agreement will cover Rox's current tenements, EL10316 and EL27541, and also the tenements recently acquired by Rox from Legend International Holdings (Figure 1).

The agreement is subject to satisfactory due diligence enquiries by Teck and the satisfaction of a number of regulatory conditions. The companies are moving to finalise formal documentation as soon as possible.

Mineral Resource

The Myrtle zinc deposit currently has an indicated and inferred resource of **15.3 million tonnes grading 5.45% zinc and 1.40% lead for 6.84% combined zinc + lead** (see Table 1), and is set to expand with further drilling.

Rox has developed a strong exploration target for high-grade mineralisation at Myrtle (see Figures 2 and 3) based on clear analogies with the adjacent world class McArthur River deposit (pre-mining resource of 227 million tonnes grading 9.2% zinc, 4.1% lead, 41g/t silver). Drilling of the high grade target is expected during the second half of 2010.

In addition, the discovery of new mineralisation at the Eastern Zone (Figure 2), which remains open along strike and at depth, has not been included in the mineral resource and warrants aggressive follow up.

Table 1: Myrtle Deposit Mineral Resource

Cut-off Zn+Pb%	Category	Tonnes (Mt)	Zn %	Pb %	Zn+Pb %	Zn Kt	Pb kt	Zn+Pb kt
3	Indicated	5.8	3.56	0.90	4.45	205	52	257
3	Inferred	37.8	4.17	0.95	5.12	1,575	361	1,936
TOTAL		**43.6**	**4.09**	**0.95**	**5.03**	**1,780**	**412**	**2,193**
Previous		36.8	4.19	1.01	5.20	1,541	372	1,912
5	Indicated	1.2	5.38	1.42	6.80	64	17	81
5	Inferred	14.1	5.45	1.39	6.85	768	196	965
TOTAL		**15.3**	**5.45**	**1.40**	**6.84**	**833**	**213**	**1,046**
Previous		15.1	5.49	1.46	6.95	831	221	1,051

Looking Ahead

A field trip to familiarise Teck staff with local logistics is planned for November, and following that Teck will be able to detail their exploration plan for the 2011 field season.

MARQUA PHOSPHATE PROJECT, NT

Project Description

The Marqua tenement application area is located approximately 450 km east north east of Alice Springs (Figure 4) and covers more than 2,400km^2. The area is highly prospective, with high grade phosphate drill intersections already encountered and also occurrences of base metals and uranium.

Previous exploration of the area identified five phosphate prospects over a strike length of 20 km with outcrops grading up to 39.4% P_2O_5 along a phosphorite horizon (Figure 5).

The prospects occur near the southern extent of the Georgina Basin, which is rapidly becoming Australia's major hard-rock phosphate province. Deposits within the Georgina Basin include:

Deposit	Resource	Status
Phosphate Hill [1]	1,115 Mt @ 17.2% P_2O_5	Production
Wonarah [1,2]	461 Mt @ 18.8% P_2O_5	DFS/Development
D-Tree [3]	305 Mt @ 15.0% P_2O_5	BFS/DFS
Paradise South [3]	72 Mt @ 17.0% P_2O_5	BFS/DFS
Paradise North [3]	15 Mt @ 23.9% P_2O_5	BFS/DFS

(Source data: [1] Register of Australian Mining 2010/2011,
[2] Minemakers Limited, December 2008 Quarterly Report
[3] Legend International Holdings, Investor Presentation, 13 October 2010)
(DFS = Definitive Feasibility Study, BFS = Bankable Feasibility Study)

The project area (Figure 6) is located only 250km from the nearest railhead at Phosphate Hill in QLD, and from the Western QLD gas pipeline; comparable distances as the Wonarah project (located further to the north) is to adjacent infrastructure.

Previous drilling has intersected good phosphate mineralisation at Marqua, including:

6m @ 19.9% P_2O_5 from 32m depth in hole QDA045
5m @ 23.7% P_2O_5 from 12m depth in hole QDA046
2m @ 45.8% P_2O_5 from 1m depth in hole QDA003
3m @ 25.1% P_2O_5 from 9m depth in hole QDA070
5m @ 26.1% P_2O_5 from 0m depth in hole QDA068
3m @ 21.5% P_2O_5 from 3m depth in hole QDA002
3m @ 21.0% P_2O_5 from 21m depth in hole QDA027
3m @ 16.9% P_2O_5 from 19m depth in hole QDA019

The drilling was, generally, wide-spaced (~ 300m) and as such these are encouraging results. Phosphate deposits in the Georgina Basin (e.g. Wonarah) generally cover large areas along relatively thin horizons (i.e. 1-7 metres thick) with the high grade DSO (direct shipping ore) of >30% P_2O_5 covering much smaller areas.

Given the results from surface sampling and drilling to date there is potential at Marqua for a substantial phosphate target above a 15% P_2O_5 cut-off, with zones of high-grade DSO contained within it.

Marqua is well situated to supply phosphate to the growing markets in Asia and North America. Phosphate is an essential component of fertilisers for the agricultural industries around the world. There are currently no substitutes for phosphate, so the demand should keep rising with the expansion of agricultural activities in the developing and developed world.

Exploration History

Previous explorers recognised the potential for phosphate to occur in the Marqua area and conducted surface geochemical sampling and drill testing of several targets.

Drilling conducted in 2003 returned values such as 1m @ 19.9% P_2O_5 from 5m depth, and surface samples at that time returned up to 32% P_2O_5.

Follow-up of these results culminated in the recognition of a 20km long phosphorite horizon that returned high grade surface samples at a number of prospects, including Red Heart, White Hill, Foss Hill, Coquina Creek and Library Ridge (Figure 5). This horizon has potential to be extended further along the host Cambrian Thorntonia Limestone unit (Figure 5).

Surface geochemistry was initially by portable Niton XRF analyser, but results were repeated by laboratory analysis, and produced in most cases results higher than the original Niton XRF. A combination of soil and rock chip samples was taken along the outcropping phosphorite zone.

Air core drilling followed, with 69 holes drilled for 1,863 metres in the September 2008 quarter. Selected results have been listed above.

Table 1 below lists the peak P_2O_5 results from the various prospects for the surface sampling and the drilling (1m samples).

Table 1: Peak Assay Results

Prospect	Surface P_2O_5 %	Drilling P_2O_5 %
Red Heart	1.3	18.4
White Hill	36.3	27.3
Foss Hill	39.4	36.5
Coquina Creek	37.0	29.8
Library Ridge	38.7	15.7

For example, at the Foss Hill prospect, drilling has intersected several horizons of phosphorite dipping at about 27^{o}, with good results being returned (Figure 7) indicating potential for extension at depth and along strike.

In addition to the phosphate prospectivity there are known base-metal occurrences and uranium potential which also need to be properly researched and followed up.

Looking Ahead

The tenement applications will be processed by the NT Department of Resources, and should be granted to Rox in due course.

Rox is planning to follow-up the drilling conducted so far with confirmatory surface sampling and then further drilling to expand the potential size of the deposit to enable a phosphate resource to be estimated, probably by mid 2011. Follow up and assessment of the base-metal and uranium potential will also be undertaken.

Dated this 29th day of October 2010.

Signed on behalf of the Board of Rox Resources Limited.

IAN MULHOLLAND
Managing Director

About Rox Resources

Rox Resources (ASX: RXL) is an Australian exploration company with projects in the Northern Territory of Australia, including the Myrtle zinc-lead project and the Marqua phosphate project.

Rox has signed a joint venture agreement with Teck Australia Ltd to explore it's Myrtle project tenements which cover 669 km^2 adjacent to the world class McArthur River zinc-lead deposit in the Northern Territory. The terms of the JV require Teck to spend $5 million to earn an initial 51% interest within 4 years including a minimum of $1 million and 2,000 metres of drilling by 21 July 2012. Teck can increase its interest in the project to 70% by spending an additional $10 million ($15 million in total) over an additional 4 years.

A SEDEX style deposit has been identified by Rox at the Myrtle prospect, where an Inferred Mineral Resource of 43.6 million tonnes grading 4.09% zinc and 0.95% lead has been delineated to JORC Code standards. Thick drill intercepts of prospective stratigraphy carrying significant zinc-lead grades have already been made but only a small portion of the prospective area has been drilled, and Rox is extremely confident the resource will to continue to grow with further drilling. A higher grade core of 15.3 million tonnes grading 5.45% zinc and 1.40% lead is present, and a large mineralised system is indicated.

IP and EM geophysical surveying, soil sampling and geologic interpretation also indicate the potential for shallow near surface mineralisation which may be exploitable by open pit mining. Several other prospects in the tenement area have similar potential to Myrtle but are at an early stage of exploration.

Rox also owns 100% of the Marqua phosphate project in the Northern Territory located 300km south-west of Mt Isa. A 20 km long strike length of phosphate bearing rocks has been identified by surface sampling (up to 39.4% P_2O_5) and drilling (including 6m @ 19.9% P_2O_5 and 5m @ 23.7% P_2O_5), and there is the potential for a sizeable phosphate resource to be present. The project is located only 250 km from the nearest railhead and gas pipeline at Phosphate Hill.

Rox continues to actively review potential new opportunities, particularly in Australia and South East Asia.

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Ian Mulholland BSc (Hons), MSc, FAusIMM, FAIG, FSEG, MAICD, who is a Fellow of The Australasian Institute of Mining and Metallurgy and a Fellow of the Australian Institute of Geoscientists. Mr Mulholland has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Mulholland is a full time employee of the Company and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

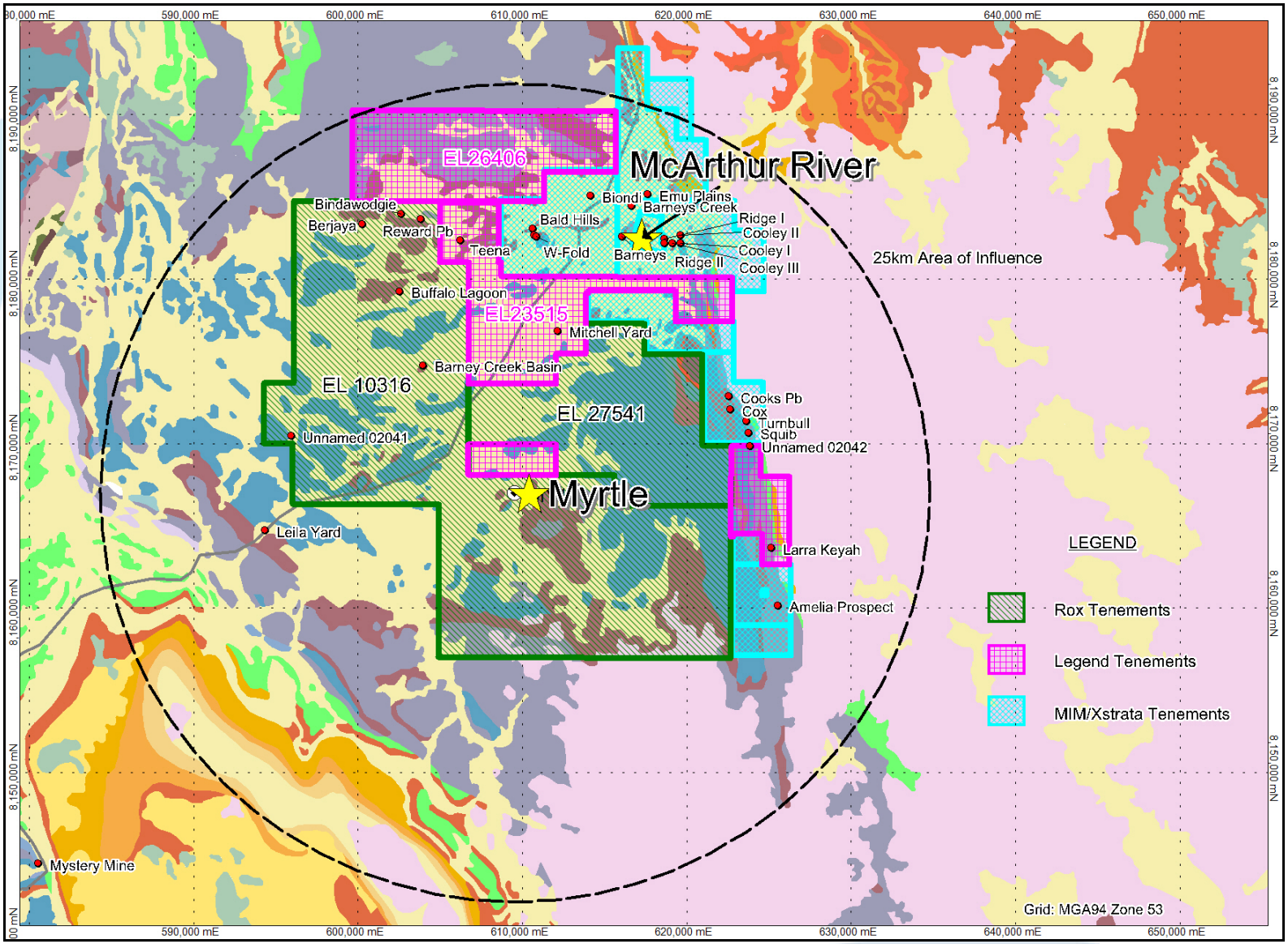

Figure 1: Proposed Joint Venture Tenements (green and pink) and 25km Area of Influence

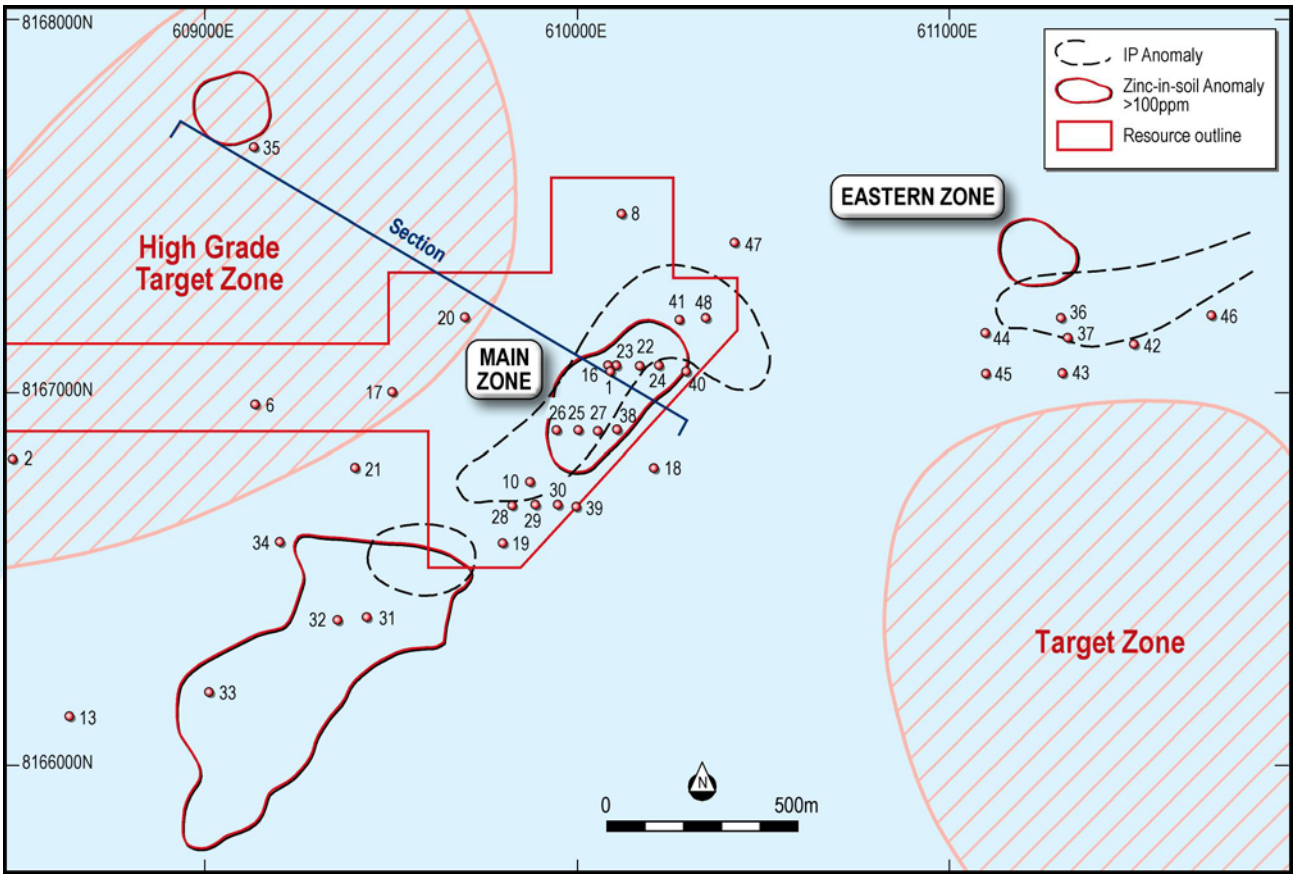

Figure 2: Myrtle Drill Plan and High Grade Target Zones

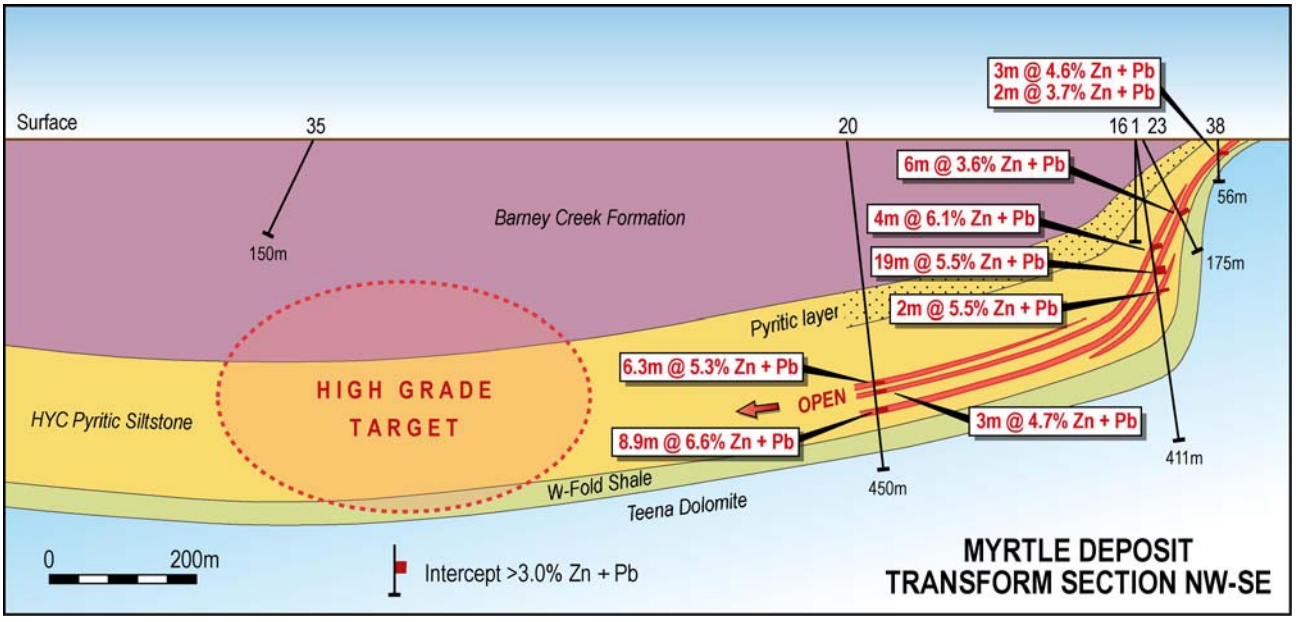

Figure 3: Myrtle Deposit, Transform Section NW-SE

Figure 4: Marqua Project Location

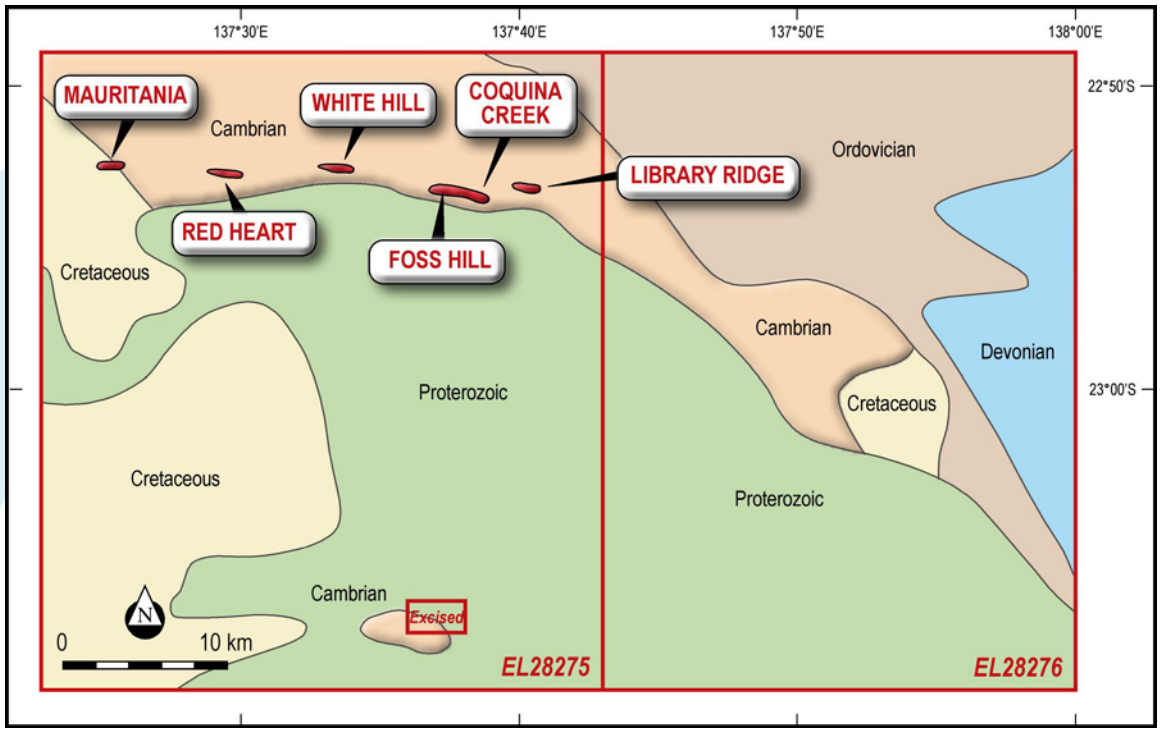

Figure 5: Marqua Project Tenement Plan Showing Prospect Locations and Geology

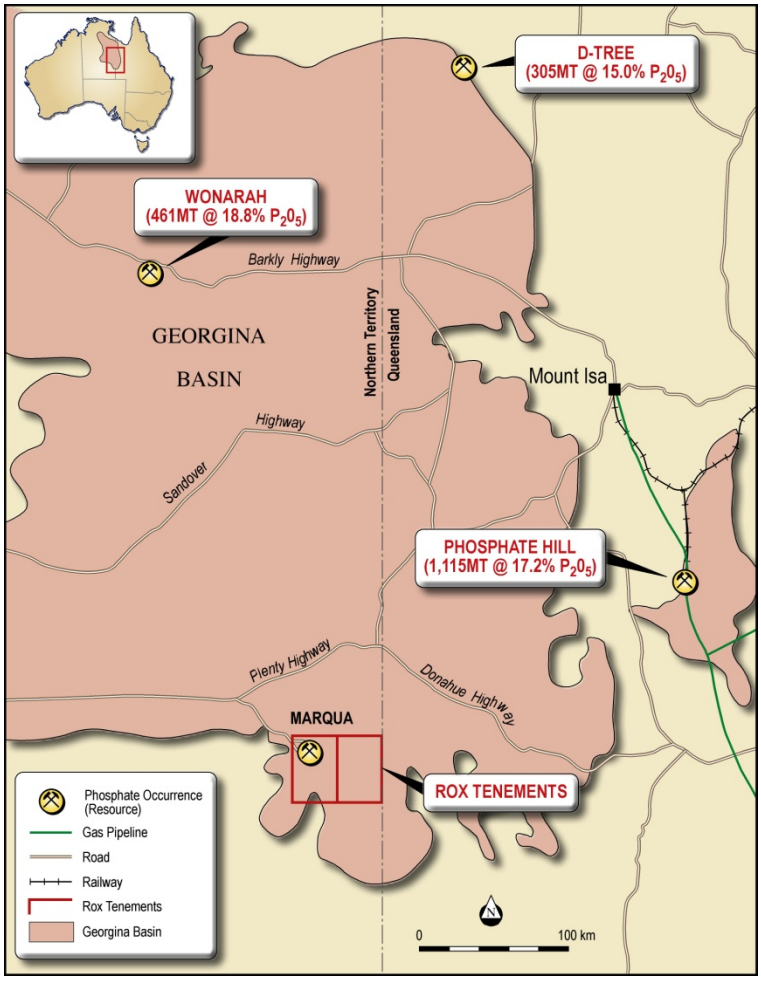

Figure 6: Georgina Basin Showing Phosphate Deposits

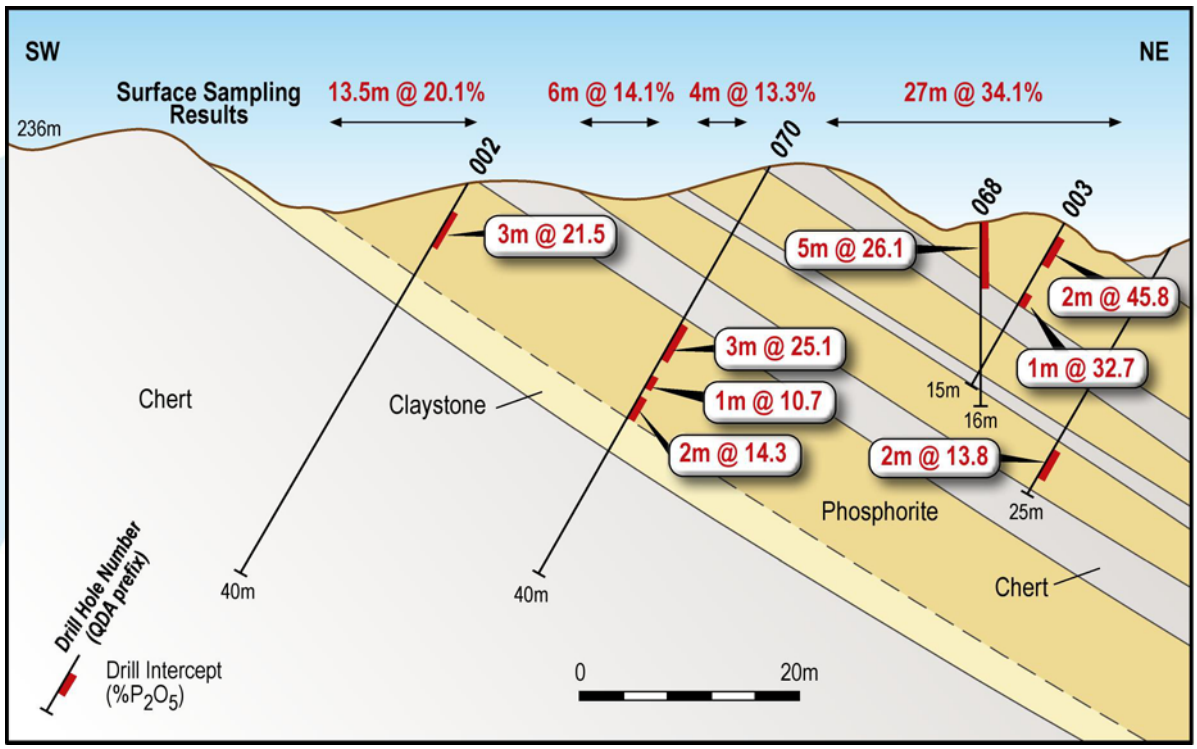

Figure 7: Foss Hill Surface Sampling Results and Drill Cross-Section

APPENDIX 5B

Mining Exploration Entity Quarterly Report

Name of entity

ROX RESOURCES LIMITED

ACN or ARBN	Quarter ended ("current quarter")
107 202 602	**30 September 2010**

Consolidated statement of cash flows

		Current Quarter A$'000	Year to Date (3 months) $A'000
	Cash flows related to operating activities		
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for: (a) exploration and evaluation	(6)	(6)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(209)	(209)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	7	7
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other – Security bonds repayments	-	-
	Net Operating Cash Flows	(208)	(208)
	Cash flows related to investing activities		
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other -	-	-
	Net investing cash flows	-	-
1.13	Total operating and investing cash flows (carried forward)	(208)	(208)

1.13	Total operating and investing cash flows (brought forward)	(208)	(208)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares (net of costs)	12	12
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other	-	-
	Net financing cash flows	12	12
	Net increase (decrease) in cash held	(196)	(196)
1.20	Cash at beginning of quarter/year to date	795	795
1.21	Exchange rate adjustments to 1.20	-	-
1.22	**Cash at end of quarter**	599	599

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	106
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

N/A

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

Financing facilities available
Add notes as necessary for an understanding of the position.

	Amount available $A'000	Amount used $A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	100
4.2	Development	-
4.3	Production	-
4.4	Administration	200
	Total	300

Reconciliation Of Cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	22	-
5.2	Deposits at call	577	795
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	599	795

Changes in interests in mining tenements

-

Issued and quoted securities at end of current quarter

	Total number	Number quoted	Issue price per security (cents)	Amount paid up per security (cents)
7.1 **Preference securities** *(description)*	-			
7.2 Changes during quarter	-			
7.3 **Ordinary securities**	238,369,471	238,369,471		
7.4 Changes during quarter - Issued - Options exercised	20,000,000 802,720	20,000,000 802,720	$0.02 $0.015	$0.02 $0.015
7.5 **Convertible debt securities** *(description and conversion factor)*	-			
7.6 Changes during quarter	-			
7.7 **Options** *(description and conversion factor)*			*Exercise Price* $0.10 $0.015 $0.35 $0.038	*Expires* 30 June 2011 31 July 2011 30 Nov 2010 26 Sept 2012
	30,160,238	30,160,238		
	36,794,573	36,794,573		
	2,000,000	Nil		
	7,500,000	Nil		
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	802,720	802,720	$0.015	31 July 2011
7.10 Expired during quarter	-	-	-	-
7.11 **Debentures** *(totals only)*	-	-	-	-
7.12 **Unsecured notes** *(totals only)*	-	-	-	-

Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX.

2. This statement does give a true and fair view of the matters disclosed.

Sign here: Date: 29 October 2010

Company Secretary

Print Name: Brett Dickson