

Quarterly Report

For the period ended 31 December 2012



HIGHLIGHTS

Mt Fisher Gold-Nickel

- Nickel sulphide discovery at Fisher East (Camelwood prospect) over a 300m strike length and up to 200m depth
- Mineralisation still open in all directions
- RC drill intercepts included:
 - 20 metres grading 1.1% Ni in hole MFEC004, including 6 metres grading 1.4% Ni and 5 metres grading 1.5% Ni
 - 2 metres grading 1.6% Ni in hole MFEC001
 - 4 metres grading 2.0% Ni in hole MFEC002
 - 2 metres grading 2.2% Ni in hole MFEC003
 - 1 metre grading 3.0% Ni in hole MFEC005
- Ground EM surveys currently underway covering 8km strike of prospective stratigraphy
- Follow-up RC and diamond drilling to commence in early February 2013
- Two other strong VTEM anomalies along strike to drill test
- Rox awarded \$100,000 drilling subsidy by Western Australian Government

Myrtle-Reward Zinc

- Soil geochemical survey at Teena prospect identifies strong coherent zinc-lead anomaly
- Significant diamond drilling planned at Teena in 2013

Bonya Copper

- Further high grade rock chip assays of up to 32.9% copper, 55.8 g/t silver and 0.64 g/t gold from outcrops of visible copper oxide mineralisation at a number of locations
- Drilling planned for first half of 2013

Corporate

- \$1.495 million raised in Share Purchase Plan and Placement

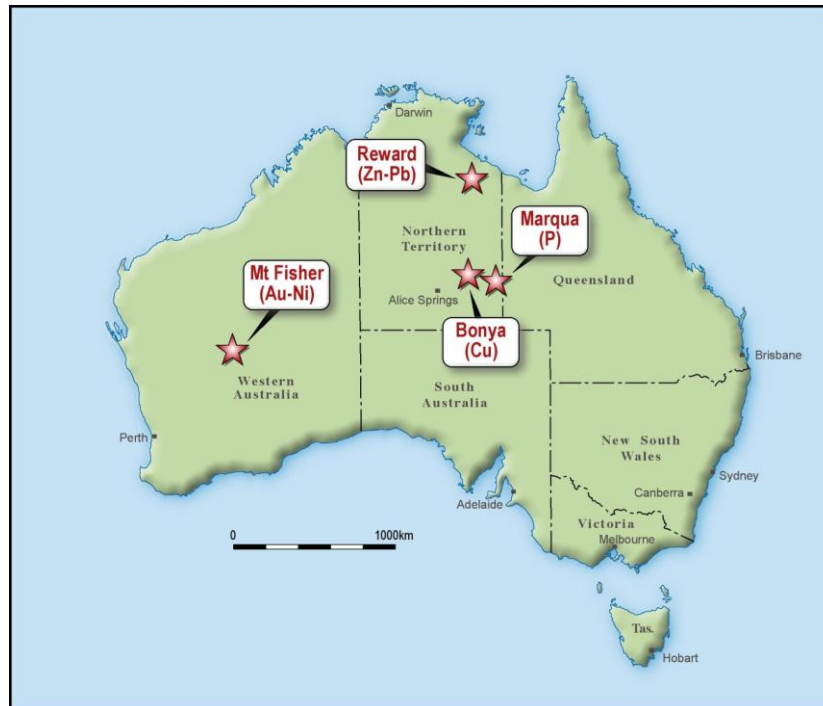


Figure 1: Rox Project Location Map

MT FISHER GOLD-NICKEL PROJECT, WA (Rox 100% & option to purchase 100%)

Rox continues to explore the Mt Fisher project area 220km north of Leonora in Western Australia, (Figure 1) which has the potential to host a multi-million ounce gold inventory and also nickel sulphide mineralisation.

RAB Drilling

A Rotary Air Blast (RAB) drilling programme to test a number of Versatile Time Electro-Magnetic (VTEM) targets at Fisher East, was completed for 1,706 metres (34 holes) in October.

This drilling was follow-up to a nickel geochemical anomaly of 12m @ 0.12% Ni from 32m downhole in a previous RAB hole drilled by Rox in July 2012 which lay directly above the strong VTEM conductor MFA_05 (now called Corktree) within ultramafic rocks, and was interpreted to be an excellent target for nickel sulphide mineralisation (Figure 2).

The additional RAB drilling was conducted over the Corktree VTEM anomaly and a second similar sized strong VTEM anomaly MFA_04 (now called Camelwood), 4km to the north of Corktree. Modelling by the Company's geophysical consultants, Southern Geoscience, indicated that each VTEM conductor conformed with the enclosing rocks, dipped to the east, and therefore indicated a bedrock source. Each VTEM anomaly is over 500m long in strike and extends from 100 – 500m in depth.

RAB drilling results over the Camelwood VTEM anomaly were highly encouraging, with nickel geochemical anomalies identified and a best result of 8m @ 0.4% Ni with visible gossanous drill chips (Figure 3) (ASX: 7 November 2012).

Examination of the geology intersected in the RAB drilling (Figure 3) suggests that the sequence may be overturned, with a felsic metasediment footwall and the basal cumulate zone of the ultramafic (which is usually where nickel sulphide mineralisation occurs) lying on the east side.

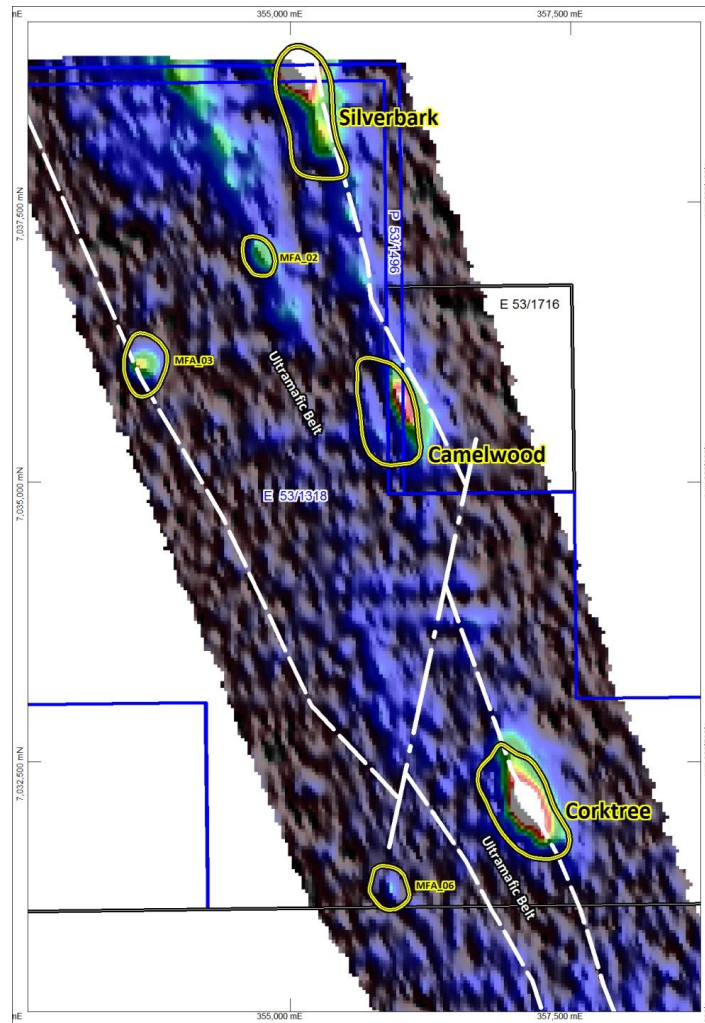


Figure 2: VTEM Anomalies – Fisher East

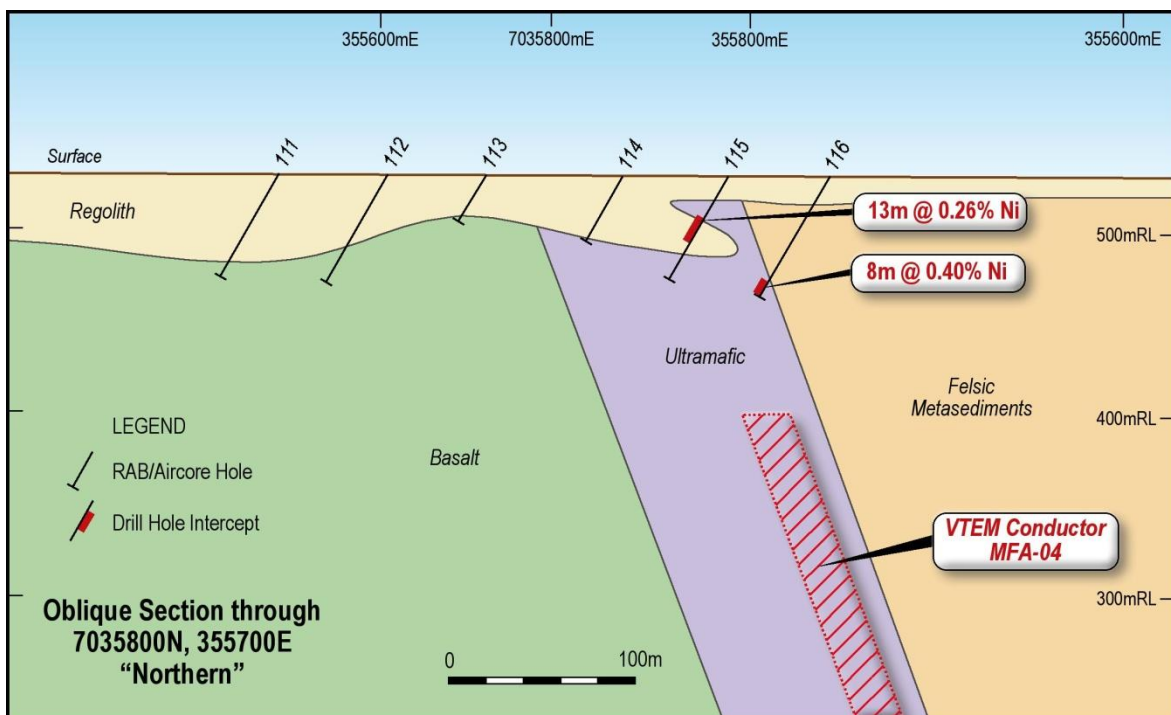


Figure 3: RAB Drill Section, Camelwood Prospect “Northern Line”

Ground EM

Moving loop ground EM surveys were commenced over the Camelwood prospect in November (ASX: 19 November 2012) and three lines were completed at 200m spacing.

RC Drilling

An RC drilling program of five (5) holes was commenced in early December to test the nickel geochemical anomaly and EM target at Camelwood. Each hole drilled intersected semi-massive or strongly disseminated nickel sulphide mineralisation (ASX: 19 December 2012) over a 300m strike length and up to 200m depth (Figures 4-7).

Laboratory assays confirmed the preliminary field XRF analyses (in most cases exceeding them) as follows (ASX: 14 January 2013):

- MFEC001: **3m @ 1.3% Ni**, including **2m @ 1.6% Ni** from 130m
- MFEC002: **4m @ 2.0% Ni** from 212m
- MFEC003: **3m @ 1.7% Ni**, including **2m @ 2.2% Ni** from 152m
- MFEC004: **20m @ 1.1% Ni** from 159m, including **6m @ 1.4% Ni** from 159m and **5m @ 1.5% Ni** from 169m
- MFEC005: **1m @ 3.0% Ni** from 147m

The increase in grade and thickness from hole MFEC001 to hole MFEC002 which is below MFEC001 (Figure 5) is encouraging, as is the wide intercept in hole MFEC004, with two zones of strong mineralisation.

Reference to Figure 7 shows that only the top part of the system is interpreted to have been drill tested at this stage.

Mineralogical work on a single sample from hole MFEC005 indicates relatively coarse-grained supergene (partially oxidised) nickel sulphide mineralisation, with violarite (FeNi_2S_4) and pyrite (FeS_2) the dominant minerals, and subordinate magnetite (Fe_3O_4) and chalcopyrite (CuFeS_2) (see Figure 8). Violarite is usually the supergene product of pentlandite ($(\text{Fe,Ni})_9\text{S}_8$) which is expected to occur deeper in the system.

Arsenic (As) and antimony (Sb) (potentially deleterious elements) levels, and Platinum Group Elements (PGE's) levels are low, but typical for this style of mineralisation (Table 1).

Looking Ahead

A new ground EM survey using a fixed loop configuration is currently underway to map out the prospective nickel-sulphide bearing horizon along 8km of strike, including the Corktree and Silverbark VTEM anomalies, which lie along strike from Camelwood (Figure 2).

A combined RC and diamond drilling program is scheduled to commence in early February. It will consist of 12 RC holes to further explore the strike and depth extent of the identified nickel sulphide mineralisation at Camelwood, and also test the Corktree and Silverbark prospects. Four (4) deep diamond core holes will be drilled beneath the existing nickel intercepts at Camelwood to test for depth extent of the mineralisation, and also obtain core samples for better geological control and understanding. Some of this drilling will be part funded by a grant that Rox has received from the WA Government (ASX: 25 January 2013).

The nickel sulphide discovery is located on tenements that Rox has under an Option to Purchase. The exercise price is \$3.5 million, with approximately 18 months of the Option still to run.

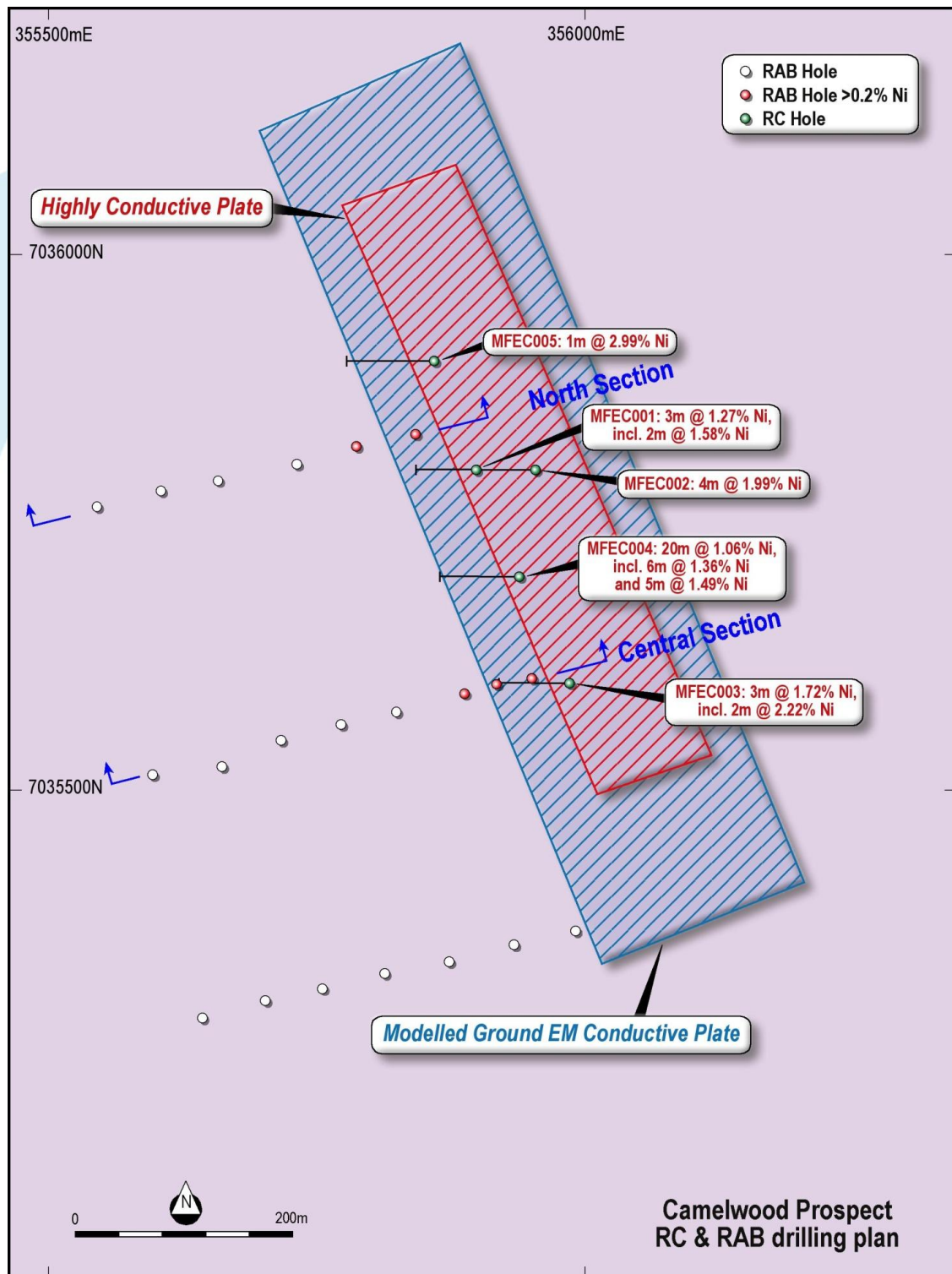


Figure 4: Camelwood Drill Plan showing EM conductor

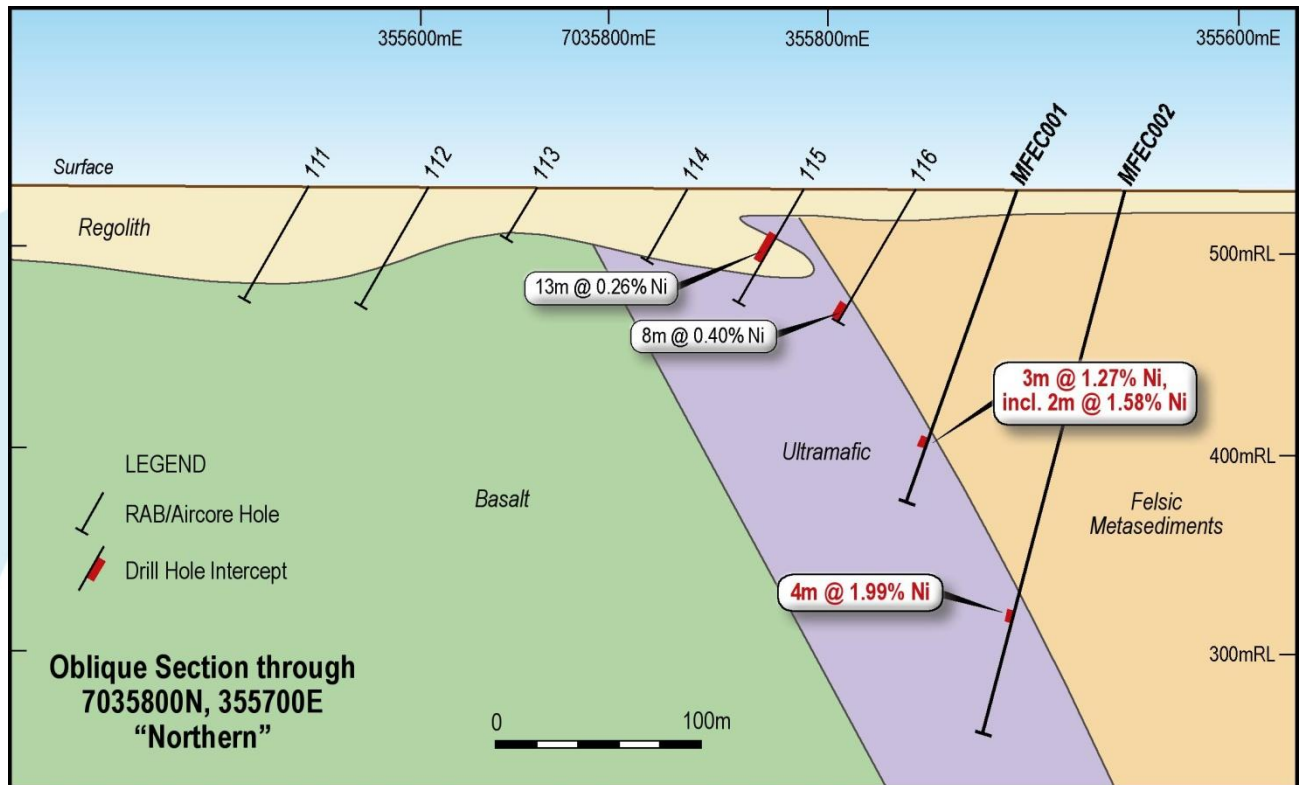


Figure 5: Camelwood Drill Cross Section "Northern Line"

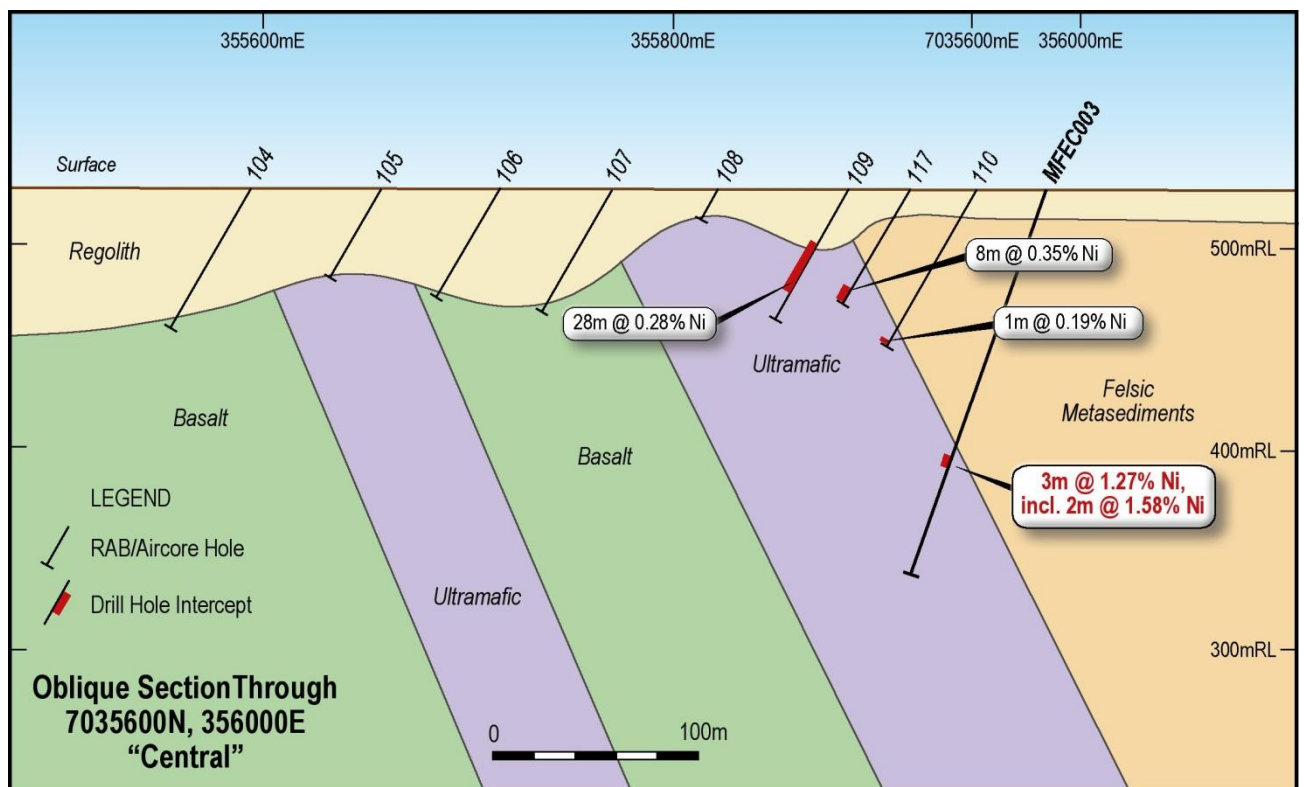


Figure 6: Camelwood Drill Cross Section "Central Line"

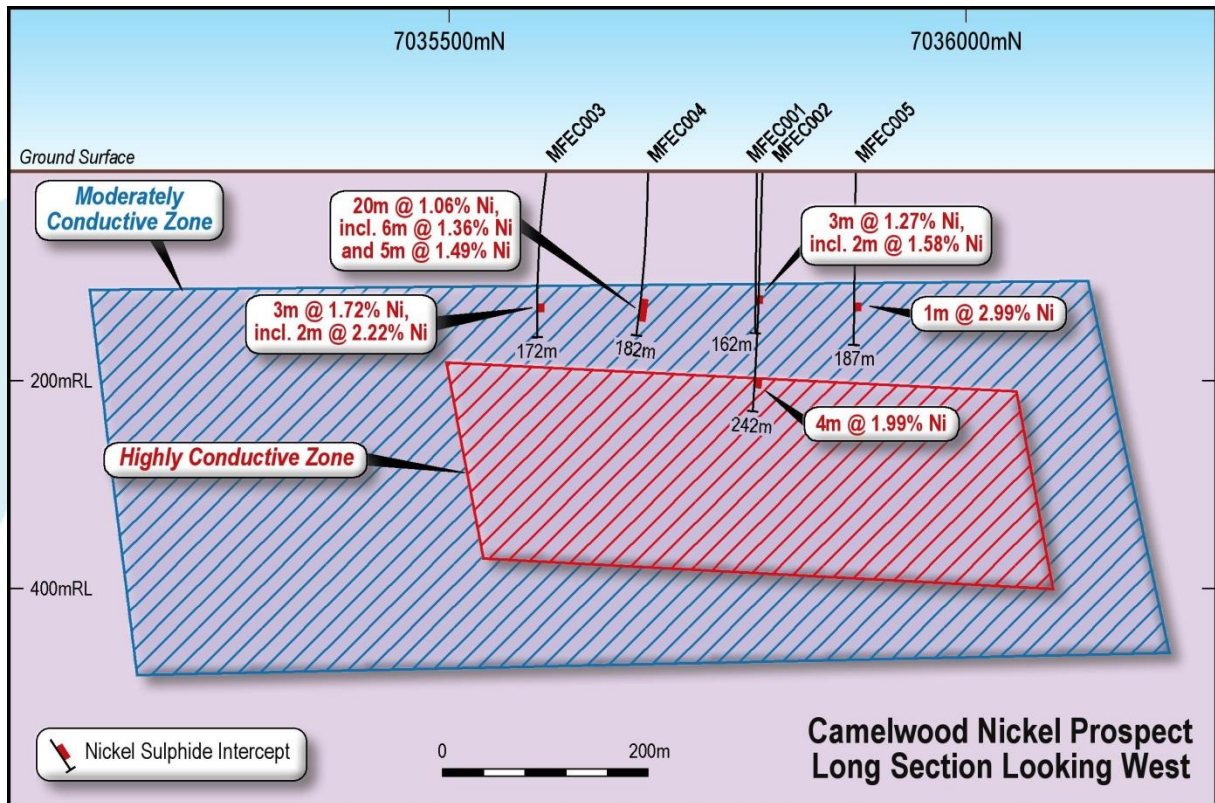


Figure 7: Camelwood Drill Long Section showing EM conductor

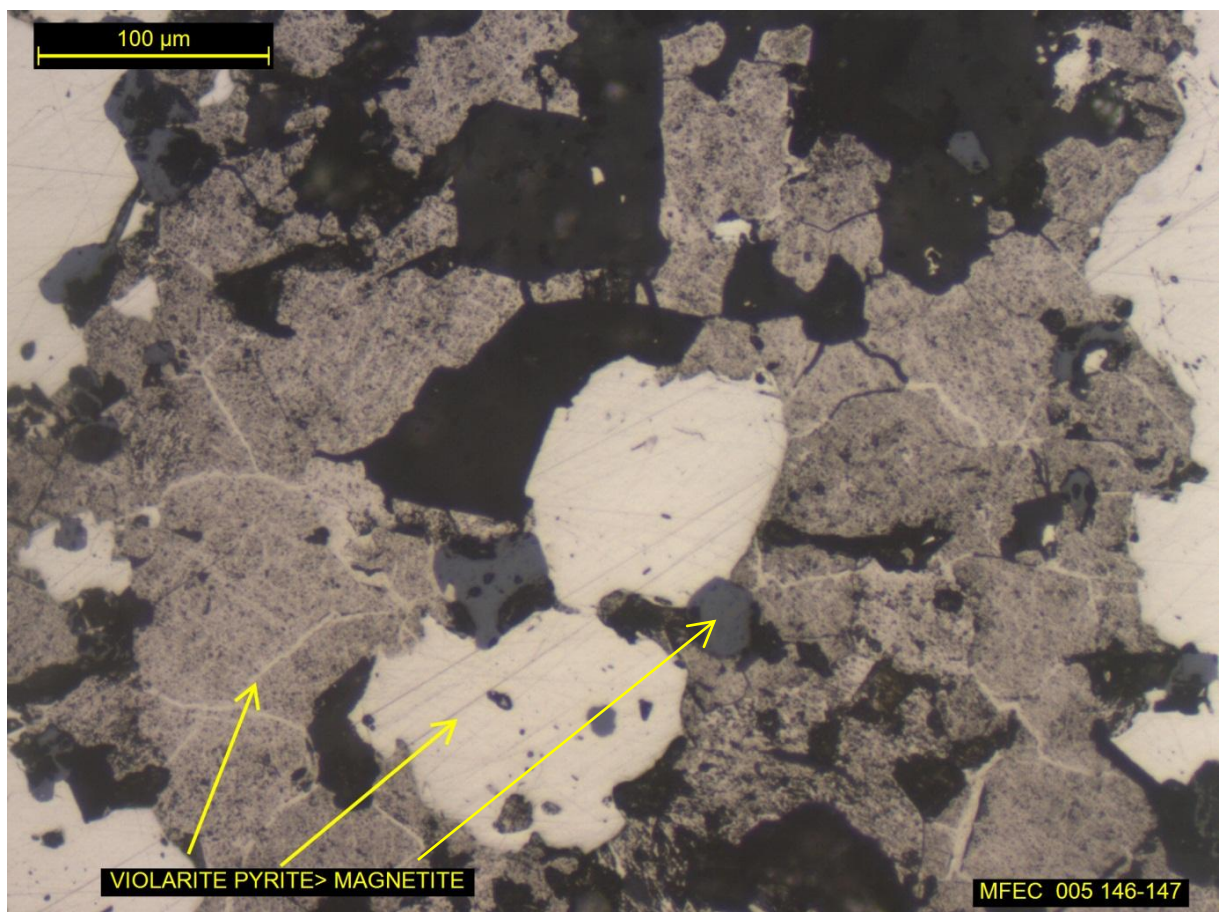


Figure 8: Mineralogical polished section showing violarite (medium grey), pyrite (white) and magnetite (dark grey). Gangue minerals (e.g. silicates) are black.

Table 1: Camelwood RC Drilling Results

Hole	East	North	Depth	Dip	Azimuth	From	To	Interval	Ni%	PGE g/t
MFEC001	355899	7035798	162	-70	270	130	133	3	1.27	0.15
<i>incl</i>						130	132	2	1.58	0.18
MFEC002	355956	7035802	242	-75	270	212	216	4	1.99	0.38
MFEC003	355986	7035594	172	-65	270	141	146	5	1.45	0.34
<i>and</i>						152	155	3	1.72	0.30
<i>incl</i>						152	154	2	2.22	0.38
MFEC004	355974	7035692	182	-60	270	159	179	20	1.06	0.21
<i>incl</i>						159	165	6	1.36	0.25
<i>incl</i>						169	174	5	1.49	0.31
MFEC005	355903	7035893	187	-60	270	147	148	1	2.99	0.37

Notes:

- Grid coordinates GDA94: Zone 51, Collar positions determined by hand held GPS
- All holes nominal RL 530 AHD
- Drilling by reverse circulation (RC) face sampling hammer, then 1 metre samples split and bagged
- 3-5kg sample preparation by pulp mill to nominal P80/75um
- Ni assays by ICP-OES following a 4 acid digest (Intertek analysis code 4A/OE)
- PGE (Pt, Pd and Au) by fire assay (Intertek analysis code FA50/MS)
- Certified Reference Standards and field duplicate samples were inserted at regular intervals to provide assay quality checks. Review of the standards and duplicates are within acceptable limits.
- Cut-off grade 0.5% Ni, with included intercepts at 1% Ni cut-off grade, up to 2m of internal dilution allowed
- Given the angle of the drill holes and the interpreted dip of the host rocks, reported intercepts will be more than true width (see Figures 5 & 6)

MYRTLE-REWARD ZINC-LEAD PROJECT, NT (Rox 100%, Teck earning up to 70%)

Teck Australia Pty Ltd. ("Teck") may earn an initial 51% interest in the Myrtle-Reward project located adjacent to the McArthur River zinc-lead mine in the Northern Territory by expenditure of \$5 million by August 2014, and can earn up to a 70% interest through the expenditure of \$15 million by August 2018. Teck is operator of the project while it is sole contributing to expenditure, or is the majority owner, and to date has expended approximately \$2.8 million.

Teena

During the quarter Teck undertook a soil geochemical survey over the Teena, Reward and Boko prospects (Figure 9). A strong coherent zinc-lead-arsenic-thallium (Zn-Pb-As-Tl) anomaly was identified over the Teena prospect (Figure 10) which lies south of the interpreted uplifted Teena Dolomite to the north (gravity high in Figure 10).

Looking Ahead

Drilling to confirm the impressive grades and thicknesses from historic drilling previously reported from the Teena prospect (Figure 11) is expected to occur early in the 2013 field season.

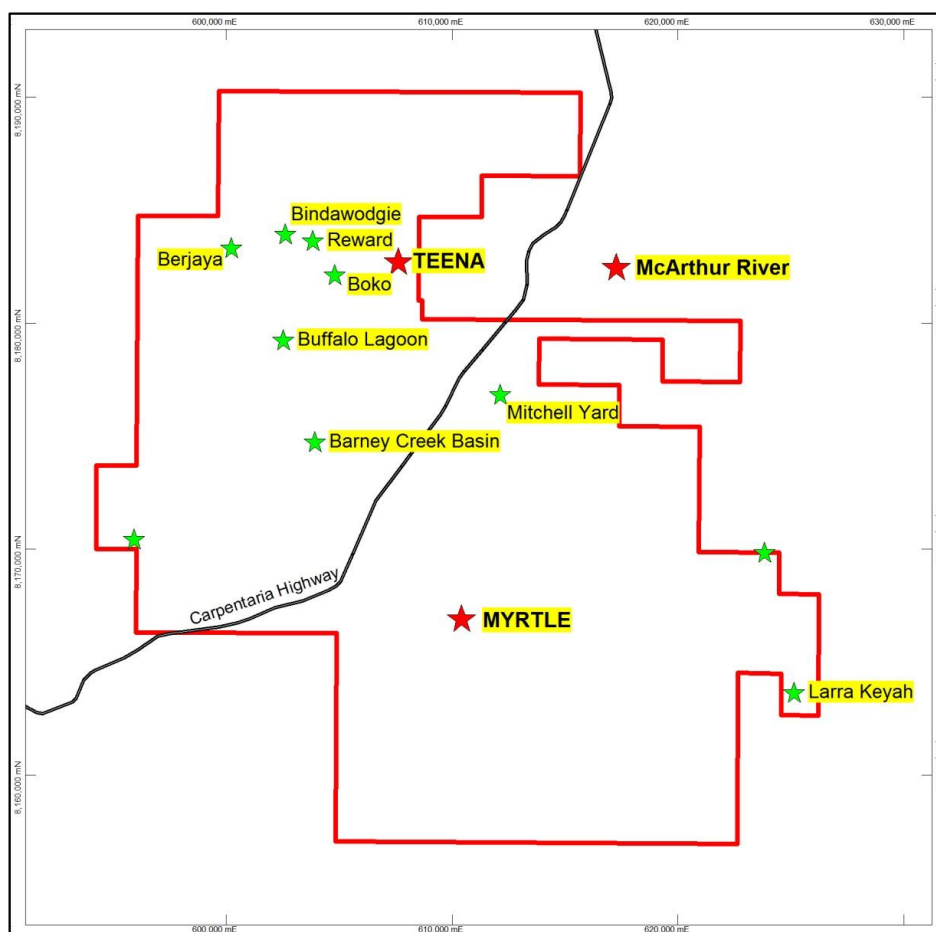


Figure 9: Tenement and Prospect Map

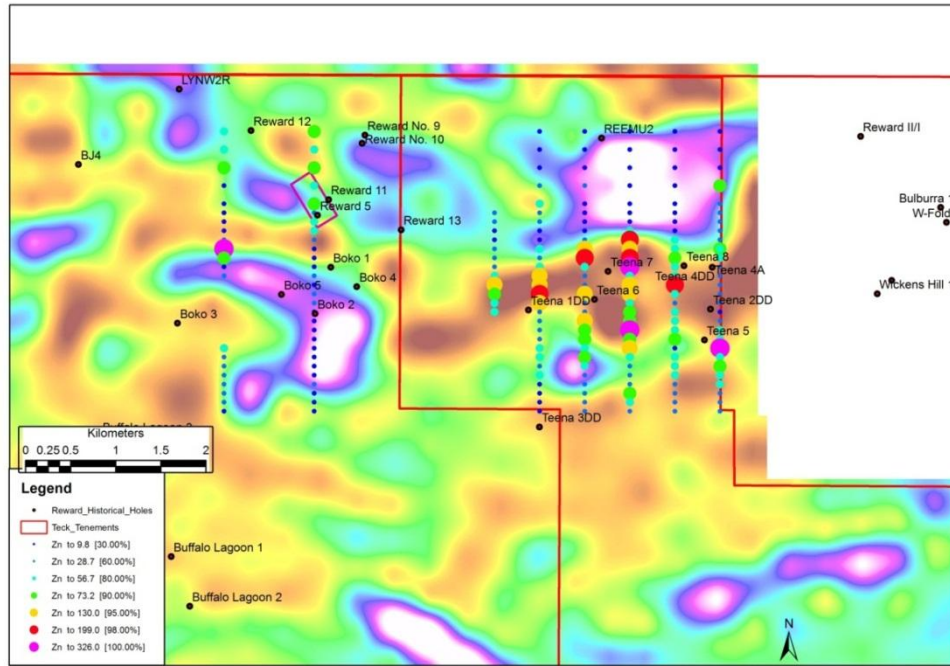


Figure 10: Aqua Regia Zn in ppm on Falcon GDD image – Teena/Boko prospect area

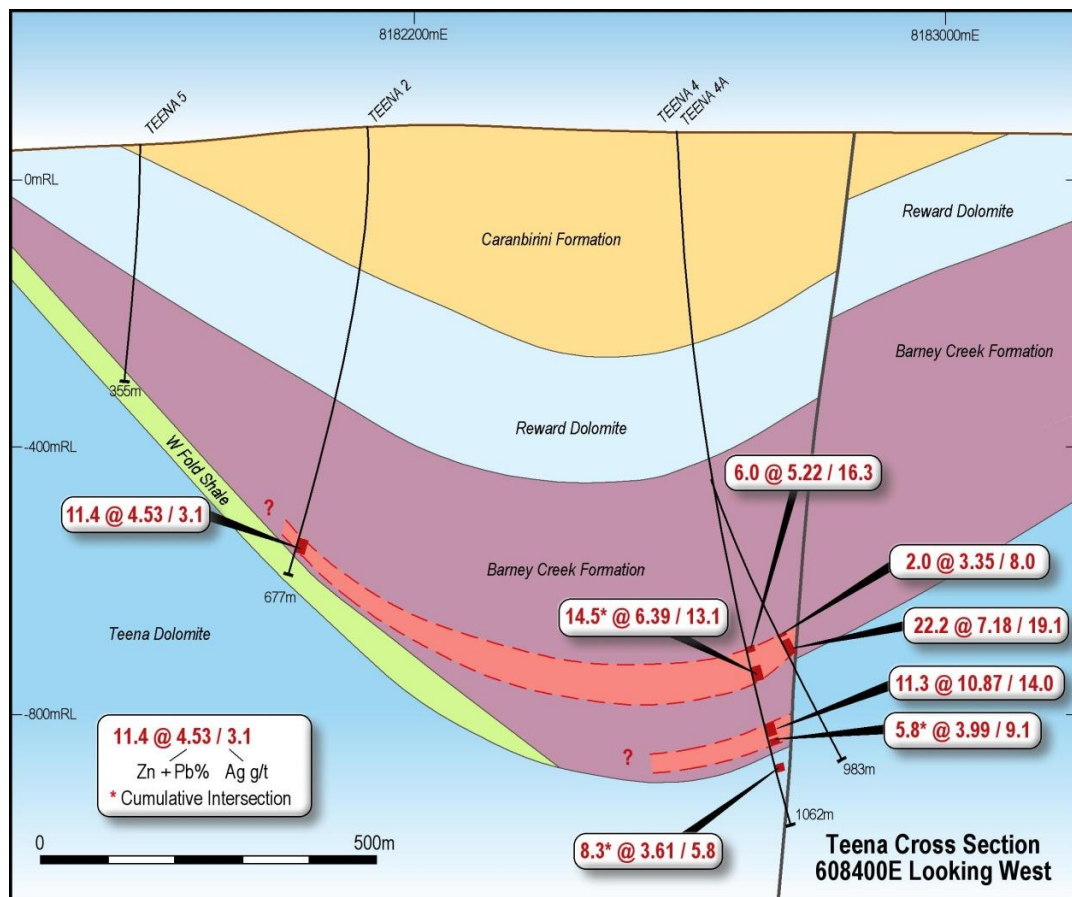


Figure 11: Rox's Interpreted Teena Cross-Section

BONYA COPPER PROJECT, NT (Rox earning up to 70%)

In early October Rox announced that it had entered into a Farm-in Agreement with Arafura Resources Limited to explore the Bonya Copper Project allowing Rox Resources to earn a 70% interest in the large (279 km²) and highly prospective copper project.

Located adjacent to the Jervois copper deposit (JORC Mineral Resource of 11.9 Mt @ 1.3% Cu, 25 g/tAg), 350km east of Alice Springs, Northern Territory (Figure 1), visible outcropping copper mineralisation at the old Bonya Mine initially returned rock chip assays up to 30.7% copper, 34.1 g/t silver and 0.52 g/t gold, including significant levels of lead (Pb).

Further geochemical sampling by Rox in November resulted in the identification of a number of additional outcrops of visible copper oxide mineralisation (ASX: 11 December 2012). Samples of outcropping oxide (malachite, azurite) and sulphide (chalcocite) copper mineralisation were collected from these numerous and widely spread old workings within the western tenement area (Figure 12), with rock chip assay results up to **32.9% Cu, 54.8 g/t Ag, and 0.64 g/t Au**.

The most significant prospects identified to date include:

- Green Hoard, where a large historic trench 80m long, 4m wide and 2m deep, and several stockpiles of copper oxide and sulphide ore were found,
- Ashmara, where old diggings were found,
- Kings Legend, where a trench and shaft are present,
- Green Goanna, where an old shaft was found,
- White Violet, where several large trenches and extensive oxide copper mineralisation over a 200m strike length was found,
- Fat Cow, where stockpiled (drummed) oxide ore was found, and
- Goat, where outcrop of copper oxide was observed.

There are walk up drill targets at the old Bonya Mine prospect, and Rox plans to further evaluate these new prospects by detailed mapping, rock and soil sampling prior to drilling.

Rox has recently received a compilation of regional geophysics which will assist in the evaluation and prioritisation of drill targets.

Under the terms of the agreement, Rox can earn an initial 51% interest in the copper, lead, zinc, silver, gold, bismuth and PGE mineral rights (Cu-Pb-Zn-Ag-Au-Bi-PGE) in the project by expenditure of \$500,000 in the first 2 years, with a minimum expenditure of \$150,000 in the first year. Rox can elect to earn a further 19%, and increase its interest to a total of 70%, by spending a further \$1 million over an additional 2 years.

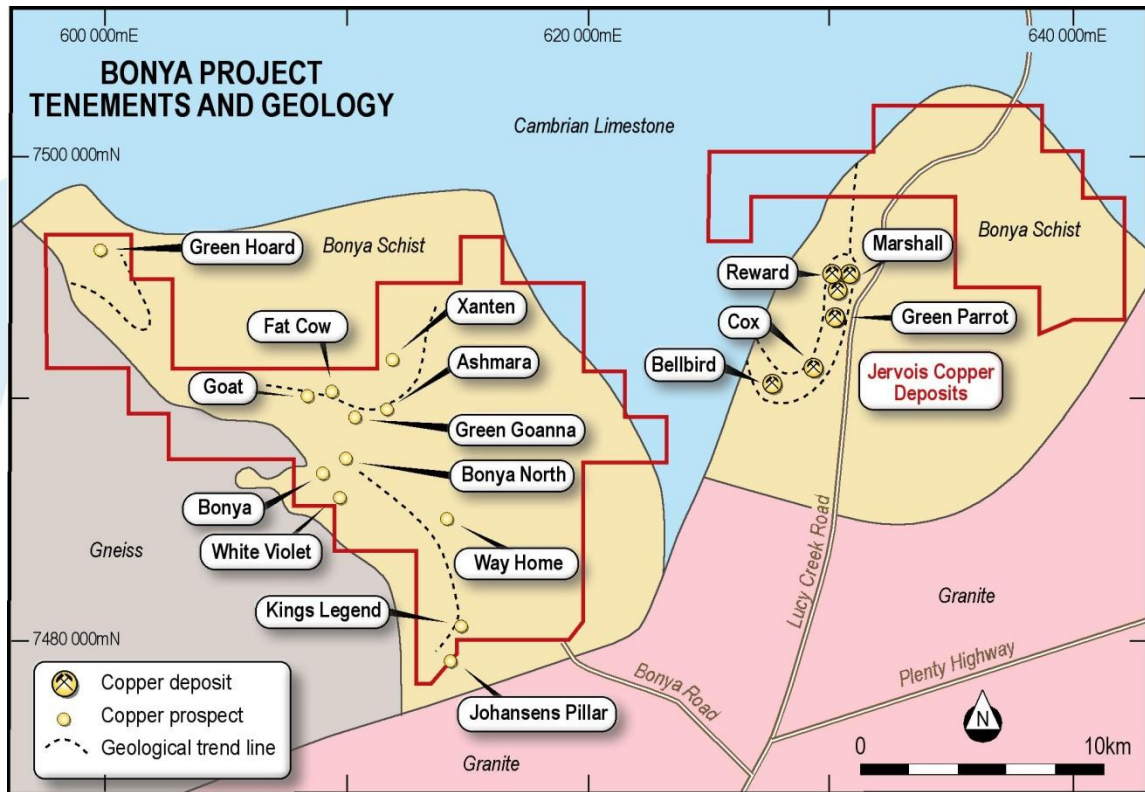


Figure 12: Bonya Project Tenement & Geology Plan

MARQUA PHOSPHATE PROJECT, NT (Rox 100%)

Rox is seeking a strategic partnership to take the Marqua phosphate project forward.

CORPORATE

Following a capital raising during the quarter consisting of a Share Purchase Plan and a small share placement, cash on hand at the end of the quarter was \$1.88 million.

Dated this 31st day of January 2013.

Signed on behalf of the Board of Rox Resources Limited.

IAN MULHOLLAND
Managing Director

About Rox Resources

Rox Resources Limited is an emerging Australian minerals exploration company. The company has four key assets at various levels of development with exposure to gold, nickel, zinc, lead, copper and phosphate, including the Mt Fisher Gold Project (WA), Myrtle/Reward Zinc-Lead Project (NT), the Bonya Copper Project (NT) and the Marqua Phosphate Project (NT).

Myrtle/Reward Zinc-Lead Project (Farm-out Agreement)

Rox has signed an Earn-In and Joint Venture Agreement with Teck Australia Pty Ltd. ("Teck") to explore its 670km² Myrtle/Reward zinc-lead tenements, located 700km south-east of Darwin, Northern Territory. The Myrtle deposit has a current Inferred Mineral Resource of **43.6 Mt @ 5.04% Zn+Pb** (Indicated: 5.8 Mt @ 3.56% Zn, 0.90% Pb; Inferred: 37.8 Mt @ 4.17% Zn, 0.95% Pb). Historic drill intercepts of sediment-hosted mineralisation exist at the Teena prospect, including **11.3m @ 10.9% Zn+Pb** and **8.6m @ 9.84% Zn+Pb**. Under the terms of the agreement, Teck are required to spend A\$5m by 31 August 2014 to earn an initial 51% interest. Teck can increase its interest in the project to 70% by spending an additional A\$10m (A\$15m in total) over an additional 4 years.

Mt Fisher Gold-Nickel Project (100% + Option)

The Mt Fisher gold-nickel project is located in the highly prospective North Eastern Goldfields region of Western Australia and in addition to being well endowed with gold the project hosts a strong potential for nickel. The total project area is 655km², consisting of a 485km² area 100% owned by Rox and an Option to purchase 100% of a further 170km². Initial drilling by Rox has defined numerous high-grade gold targets and defined a Measured, Indicated and Inferred Mineral Resource of **973,000 tonnes grading 2.75 g/t gold** to be defined for 86,000 ounces of gold (Measured: 171,900 tonnes grading 4.11 g/t Au, Indicated: 204,900 tonnes grading 2.82 g/t Au, Inferred: 596,200 tonnes grading 2.34 g/t Au). Recent RC drilling at the Camelwood prospect intersected **semi-massive and strongly disseminated nickel sulphide mineralisation** in five holes along a 300m strike length and to 200m depth, with the mineralisation open in all directions.

Bonya Copper Project (Farm-in Agreement)

In October 2012 Rox signed a Farm-in Agreement with Arafura Resources Limited to explore the Bonya Copper Project located 350km east of Alice Springs, Northern Territory. Outcrops of visible copper grading up to 34% Cu and 27 g/tAg are present. Under the agreement, Rox can earn a 51% interest in the copper, lead, zinc, silver, gold, bismuth and PGE mineral rights by spending \$500,000 within the first two years. Rox can elect to earn a further 19% (for 70% in total) by spending a further \$1 million over a further two years. Once Rox has earned either a 51% or 70% interest it can form a joint venture with Arafura to further explore and develop the area.

Marqua Phosphate Project (100%)

Rox owns four tenements covering approximately 1,900 km² in the Northern Territory which comprise the Marqua Phosphate project. The project has the potential for a sizeable phosphate resource to be present, with surface sampling returning values up to 39.4% P₂O₅ and drilling (including 6m @ 19.9% P₂O₅ and 5m @ 23.7% P₂O₅) confirming a 30km strike length of phosphate bearing rocks. In addition to phosphate, there is also potential for lead-zinc mineralisation. The project is located 300km south-west of Mt Isa, and is situated 250km from the nearest railhead and gas pipeline at Phosphate Hill.

Competent Person Statement:

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 2012 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.

Mining Exploration Entity Quarterly Report

ROX RESOURCES LIMITED

31 December 2012

Cash flows related to operating activities

- 14 -

1.13 Total operating and investing cash flows (brought forward)	(432)	(922)
Cash flows related to financing activities		
1.14 Proceeds from issues of shares (net of costs)	1,495	1,495
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	1,495	1,495
Net increase (decrease) in cash held	1,063	573
1.20 Cash at beginning of quarter/year to date	820	1,310
1.21 Exchange rate adjustments to 1.20	-	-
1.22 Cash at end of quarter	1,883	1,883

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	130
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

Nil

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

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	550
4.2 Development	-
4.3 Production	-
4.4 Administration	200
Total	750

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	1,078	568
5.2 Deposits at call	755	252
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	1,833	820

Changes in interests in mining tenements

	Tenement reference	Nature of Interest	Interest at beginning of quarter	Interest at end of quarter
6.1 Interest in mining tenements relinquished, reduced or lapsed	-	-	-	-
6.2 Interest in mining tenements acquired or increased	-	-	-	-

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 <i>(description)</i>	-			
7.2 Changes during quarter	-			
7.3 Ordinary securities	500,809,744	500,809,744		
7.4 Changes during quarter				
- Issued	102,473,367	102,473,367	\$0.015	-
- Options exercised	-	-	-	-
7.5 Convertible debt securities <i>(description and conversion factor)</i>	-			
7.6 Changes during quarter	-			
7.7 Options <i>(description and conversion factor)</i>			<i>Exercise Price</i>	<i>Expires</i>
	550,000	Nil	\$0.047	30 Nov 2014
	8,500,000	Nil	\$0.025	30 Nov 2015
7.8 Issued during quarter	8,500,000	Nil	\$0.025	30 Nov 2015
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	-	-	-	-
7.11 Debentures <i>(totals only)</i>	-	-	-	-
7.12 Unsecured notes <i>(totals only)</i>	-	-	-	-

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: 31 January 2013



Company Secretary

Print Name: Brett Dickson