



**Rox Resources Limited
ABN 53 107 202 602
Notice of Annual General Meeting
and Explanatory Memorandum**

Date of Meeting

24 November 2016

Time of Meeting

10.30am (WST)

Place of Meeting

The Celtic Club
48 Ord Street
West Perth WA 6005

A Proxy Form is enclosed

Please read this Notice of Annual General Meeting and Explanatory Memorandum carefully.

If you are unable to attend the Annual General Meeting, please complete and return the enclosed Proxy Form in accordance with the specified directions.

Rox Resources Limited

ABN 53 107 202 602

Notice of Annual General Meeting

NOTICE IS GIVEN that an Annual General Meeting of Shareholders of Rox Resources Limited ABN 53 107 202 602 (**Company**) will be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on 24 November 2016 at 10.30am (WST) for the purpose of transacting the business referred to in this Notice of Annual General Meeting.

An Explanatory Memorandum containing information in relation to each of the following Resolutions accompanies this Notice. Terms used in the Resolutions contained in this Notice have the meaning given to them in the glossary in the Explanatory Memorandum.

Agenda

Financial Reports

To receive and consider the financial report of the Company, together with the Directors' Report and the Auditor's Report for the year ended 30 June 2016, as set out in the Annual Report.

Resolution 1 – Non Binding Resolution to adopt Remuneration Report

To consider and, if thought fit, pass the following resolution as a **non-binding resolution**:

"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the year ended 30 June 2016 be adopted."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company. Shareholders are encouraged to read the Explanatory Memorandum for further details on the consequences of voting on this Resolution 1.

Voting exclusion statement: A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties.

However, a person described above may cast a vote on Resolution 1 if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution or the proxy is the Chair of the Meeting and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the resolution and expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; and
- (b) it is not cast on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties.

Further, a Restricted Voter who is appointed as a proxy must not vote on Resolution 1 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 1; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 1. However, in exceptional circumstances, the Chair of the Meeting may change his voting intention on Resolution 1, in which case an ASX announcement will be made. Shareholders may also choose to direct the Chair to vote against Resolution 1 or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Resolution 2 – Re-election of Mr Brett Dickson as a Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, Mr Brett Dickson, who retires in accordance with clause 13.2 of the Constitution and, being eligible for re-election, be re-elected as a Director."

Resolution 3 – Ratification of prior issue of Shares

To consider and, if thought fit to pass the following resolution as an **ordinary resolution**:

"That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue on 2 August 2016 of 55,555,556 Shares on the terms and conditions set out in the Explanatory Memorandum."

Voting exclusion statement: The Company will disregard any votes cast on Resolution 3 by any person who participated in the issue the subject of Resolution 3 and any person who is an Associate of those persons. However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 4 – Approval of Employee Share Option Plan

To consider and, if thought fit to pass the following resolution as an **ordinary resolution**:

"That, for the purpose of Listing Rule 7.2, Exception 9(b) of the Listing Rules and for all other purposes, the Company approves, as an exception to Listing Rule 7.1, the issue of securities under the employee incentive scheme for employees known as the "Rox Resources Limited Employee Share Option Plan", a summary of the rules of which are set out in Annexure A to the Explanatory Memorandum."

Voting exclusion statement: The Company will disregard any votes cast on Resolution 4 by a director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any person who is an Associate of those persons. However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Further, a Restricted Voter who is appointed as a proxy must not vote on Resolution 4 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 4; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 4. However, in exceptional circumstances, the Chair of the Meeting may change his voting intention on Resolution 4, in which case an ASX announcement will be made. Shareholders may also choose to direct the Chair to vote against Resolution 4 or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Resolution 5 – Approval of Additional 10% Placement Capacity

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

"That, for the purposes of Listing Rule 7.1A and all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum."

Voting exclusion statement: The Company will disregard any votes cast on Resolution 5 by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and any person who is an Associate of those persons. However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 6 – Approval to issue Director Options to Mr Ian Mulholland or his nominee(s)

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of sections 195(4) and 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, the Directors are authorised to issue up to 10,000,000 Director Options to Mr Ian Mulholland or his nominee(s), on the terms and conditions set out in the Explanatory Memorandum (including Annexure C to the Explanatory Memorandum)."

Voting exclusion statement: The Company will disregard any votes cast on Resolution 6 by Mr Ian Mulholland or his nominee(s) and an Associate of those persons. However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Further, pursuant to section 224 of the Corporations Act, the Company will disregard any votes cast on this Resolution 6 (in any capacity) by or on behalf of a related party of the Company to whom the resolution would permit a financial benefit to be given or an associate of such a related party. However, the Company need not disregard a vote if it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the resolution and it is not cast on behalf of a related party of the Company to whom the resolution would permit a financial benefit to be given or an associate of such a related party.

Further, a Restricted Voter who is appointed as a proxy must not vote on Resolution 6 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 6; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 6. However, in exceptional circumstances, the Chair of the Meeting may change his voting intention on Resolution 6, in which case an ASX announcement will be made. Shareholders may also choose to direct the Chair to vote against Resolution 6 or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Please note: If the Chair is a person referred to in the section 224 Corporations Act voting exclusion statement above, the Chair will only be able to cast a vote as proxy for a person who is entitled to vote if the Chair is appointed in writing and the Proxy Form specifies how the proxy is to vote on Resolution 6.

Resolution 7 – Approval to issue Director Options to Mr Brett Dickson or his nominee(s)

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of sections 195(4) and 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, the Directors are authorised to issue up to 5,000,000 Director Options to Mr Brett Dickson or his nominee(s), on the terms and conditions set out in the Explanatory Memorandum (including Annexure C to the Explanatory Memorandum)."

Voting exclusion statement: The Company will disregard any votes cast on Resolution 7 by Mr Brett Dickson or his nominee(s) and an Associate of those persons. However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Further, pursuant to section 224 of the Corporations Act, the Company will disregard any votes cast on this Resolution 7 (in any capacity) by or on behalf of a related party of the Company to whom the resolution would permit a financial benefit to be given or an associate of such a related party. However, the Company need not disregard a vote if it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the resolution and it is not cast on behalf of a related party of the Company to whom the resolution would permit a financial benefit to be given or an associate of such a related party.

Further, a Restricted Voter who is appointed as a proxy must not vote on Resolution 7 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 7; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 7. However, in exceptional circumstances, the Chair of the Meeting may change his voting intention on Resolution 7, in which case an ASX announcement will be made. Shareholders may also choose to direct the Chair to vote against

Resolution 7 or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Please note: If the Chair is a person referred to in the section 224 Corporations Act voting exclusion statement above, the Chair will only be able to cast a vote as proxy for a person who is entitled to vote if the Chair is appointed in writing and the Proxy Form specifies how the proxy is to vote on Resolution 7.

Resolution 8 – Approval to issue Director Options to Mr Stephen Dennis or his nominee(s)

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of sections 195(4) and 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, the Directors are authorised to issue up to 3,000,000 Director Options to Mr Stephen Dennis or his nominee(s), on the terms and conditions set out in the Explanatory Memorandum (including Annexure C to the Explanatory Memorandum)."

Voting exclusion statement: The Company will disregard any votes cast on Resolution 8 by Mr Stephen Dennis or his nominee(s) and an Associate of those persons. However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Further, pursuant to section 224 of the Corporations Act, the Company will disregard any votes cast on this Resolution 8 (in any capacity) by or on behalf of a related party of the Company to whom the resolution would permit a financial benefit to be given or an associate of such a related party. However, the Company need not disregard a vote if it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the resolution and it is not cast on behalf of a related party of the Company to whom the resolution would permit a financial benefit to be given or an associate of such a related party.

Further, a Restricted Voter who is appointed as a proxy must not vote on Resolution 8 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 8; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 8. However, in exceptional circumstances, the Chair of the Meeting may change his voting intention on Resolution 8, in which case an ASX announcement will be made. Shareholders may also choose to direct the Chair to vote against Resolution 8 or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Please note: If the Chair is a person referred to in the section 224 Corporations Act voting exclusion statement above, the Chair will only be able to cast a vote as proxy for a person who is entitled to vote if the Chair is appointed in writing and the Proxy Form specifies how the proxy is to vote on Resolution 8.

Other business

To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.

By order of the Board

Brett Dickson

Finance Director & Company Secretary

Dated: 28 September 2016

How to vote

Shareholders can vote by either:

- attending the Meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the Proxy Form accompanying this Notice and by submitting their Proxy Form online, by mobile, by post or by facsimile.

Voting in person or by attorney

Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the Company's share register and their attendance recorded. A certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms below.

Voting by a corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. Written proof of the representative's appointment (including any authority under which it is signed) must be lodged with, or presented to the Company before the Meeting.

Voting by proxy

- A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the Meeting.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. where there are two proxies, each proxy may exercise half of the votes).
- A proxy need not be a Shareholder. The proxy can be either an individual or a body corporate.
- If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit. However, where a Restricted Voter is appointed as a proxy, the proxy may only vote on Resolutions 1, 4, 6, 7 and 8 if the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
- Should any resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.

- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
- A Shareholder who returns their Proxy Form with a direction how to vote, but does not nominate the identity of their proxy, will be taken to have appointed the Chair of the Meeting as their proxy to vote on their behalf. If a Proxy Form is returned with a direction how to vote, but the nominated proxy (who is not Chair of the Meeting) does not attend the Meeting or does not vote on the relevant Resolution(s), the Chair of the Meeting will act in place of the nominated proxy and vote on a poll in accordance with any instructions.
- Proxy appointments in favour of the Chair of the Meeting, the secretary or any Director that do not contain a direction how to vote will be used, where possible, to support each of the Resolutions proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to some of the proposed Resolutions. These rules are explained in this Notice. However, in exceptional circumstances, the Chair of the Meeting may change his voting intention, in which case an ASX announcement will be made.
- Proxies must be received by **10.30am (WST) on 22 November 2016**. Proxies received after this time will be invalid.
- Proxies may be lodged using any of the following methods:
 - **Online:** www.investorvote.com.au
 - **By mobile:** Scan the QR Code on your proxy form and follow the prompts.
 - **By mail:**
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia
 - **By Facsimile:**
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555
 - **Custodian voting:** For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions
 - **For all enquiries call:**
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Shareholders who are entitled to vote

In accordance with regulation 7.11.37 and 7.11.38 of the Corporations Regulations, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the Register of Shareholders as at 4.00pm (WST) on 22 November 2016.

Rox Resources Limited

ABN 53 107 202 602

Explanatory Memorandum

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting of the Company.

Certain abbreviations and other defined terms are used throughout this Explanatory Memorandum. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to the Explanatory Memorandum.

Financial Reports

The Board is required to lay before the Meeting the consolidated annual financial report of the Company for the financial year ended 30 June 2016, together with the Directors' report (including the Remuneration Report) and the Auditor's Report on the financial report. No resolution is required to be moved in respect of this item.

Shareholders will be given a reasonable opportunity at the Meeting to ask questions, and to make comments on the reports and on the management of the Company.

The Chair will also give Shareholders a reasonable opportunity to ask the Auditor or the Auditor's representative questions relevant to: the conduct of the audit; the preparation and content of the independent audit report; the accounting policies adopted by the Company in relation to the preparation of the financial statements; and the independence of the Auditor in relation to the conduct of the audit.

The Chair will also allow a reasonable opportunity for the Auditor or their representative to answer any written questions submitted to the Auditor under section 250PA of the Corporations Act.

A copy of the Company's 2016 Annual Report is available on the ASX website or at www.roxresources.com.au under the "Investors" tab.

Resolution 1 – Adoption of Remuneration Report

Section 250R(2) of the Corporations Act requires the Company to put to its Shareholders a resolution that the Remuneration Report as disclosed in the Company's 2016 Annual Report be adopted. The Remuneration Report is set out in the Company's 2016 Annual Report.

The Remuneration Report explains the Board policies in relation to the nature and level of remuneration paid to Directors, sets out remuneration details for each Director and any service agreements and sets out the details of any equity based compensation.

Shareholders are entitled to vote on the question as to whether the Remuneration Report is to be adopted. However, the vote on Resolution 1 is advisory only and does not bind the Directors or the Company. The Chair will give Shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report at the Meeting.

Under the Corporations Act, if at least 25% of the votes cast are against adoption of the Remuneration Report at two consecutive annual general meetings, the Company will be required to put a resolution to the second annual general meeting (**Spill Resolution**), to approve calling a general meeting (**Spill Meeting**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must then convene a Spill Meeting within 90 days of the second annual general meeting. All of the Directors who were in office when the applicable Directors' Report was approved, other than any Managing Director, will need to stand for re-election at the Spill Meeting if they wish to continue as Directors.

The Remuneration Report for the financial year ended 30 June 2015 did not receive a vote of more than 25% against its adoption at the Company's 2015 annual general meeting held on 26 November 2015. Accordingly, if at least 25% of the votes cast on Resolution 1 are against adoption of the Remuneration Report it will not result in the Company putting a Spill Resolution to Shareholders.

Resolution 2 – Re-election of Mr Brett Dickson as a Director

Pursuant to Clause 13.2 of the Company's Constitution, Brett Dickson, being a Director, retires by way of rotation and, being eligible, offers himself for re-election as a Director.

Mr Dickson has over 30 years' experience in the financial management of companies, principally companies in early stage development of its resource or production, and offers broad financial management skills. He has been Company Secretary and Chief Financial Officer (**CFO**) for a number of successful resource companies listed on the ASX, and in addition to the Company currently also acts as Company Secretary and CFO for Azure Minerals Limited. He has had close involvement with the financing and development of a number of Greenfield resources in the oil and gas and mineral sectors. Mr Dickson is also a director of Oro Verde Limited and has not been a director of any other listed company in the last three years.

Mr Dickson is a Certified Practising Accountant with a Bachelors Degree in Economics and Finance from Curtin University.

Mr Dickson was first appointed to the Board as a Director on 31 March 2010. The Board considers that Mr Dickson, if re-elected, will continue to be classified as a non-independent director, due to his executive position with the Company.

The members of the Board (other than Mr Dickson) support the re-election of Mr Dickson.

Resolution 3 – Ratification of prior issue of Shares

As announced on 25 July 2016, the Company completed a placement of 55,555,556 Shares at an issue price of \$0.018 per Share to unrelated Australian based institutions and sophisticated investors (**Placement**). The Placement raised \$1,000,000, before costs of the Placement.

The Placement was conducted under the Company's Listing Rule 7.1 capacity.

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior Shareholder approval, provided the issue did not breach the 15% threshold set by Listing Rule 7.1. The effect of the ratification is to restore the Company's maximum discretionary power to issue further securities up to 15% of the issued capital of the Company without requiring Shareholder approval.

Resolution 3 seeks ratification under Listing Rule 7.4 of the issue of 55,555,556 Shares that were issued on 2 August 2016, in order to restore the ability of the Company to issue further securities within the 15% limit during the next 12-months.

The following information in relation to the Shares the subject of Resolution 3 is provided to Shareholders for the purposes of Listing Rule 7.5:

The number of securities issued	55,555,556 Shares were issued.
The price at which the securities were issued	The Shares were issued at an issue price of \$0.018 per Share.
The terms of the securities	The Shares are ordinary fully paid shares issued in the capital of the Company and rank equally in all respects with existing Shares.
The name of the persons to whom the Company issued the securities or the basis on which those persons were determined	The Shares were issued to unrelated Australian based institutions and sophisticated investors who participated in the Placement.
The use (or intended use) of the funds raised	The funds raised will be used to continue exploration principally at the Fisher East Nickel sulphide discoveries, and for working capital.
A voting exclusion statement	A voting exclusion is included in the Notice in relation to Resolution 3.

Resolution 4 – Approval of Employee Share Option Plan

The Company has not had an employee incentive scheme in place for some time.

However, the Board now considers that it is desirable to establish an employee incentive scheme pursuant to which certain employees and Directors may be offered the opportunity to be issued options in order to attract persons of experience and ability to employment with the Company and provide incentive to the employees to remain in their employment in the long term. Accordingly, on 15 September 2016, the Directors adopted the Rox Resources Limited Employee Share Option Plan (**Plan**).

The Plan is designed to attract, retain and motivate eligible employees, promote and foster loyalty and support amongst eligible employees for the benefit of the Company, enhance the relationship between the Company and eligible employees for the long term mutual benefit of all parties and provide eligible employees with the opportunity to share in any future growth in value of the Company through the issue of Options.

To enable the Company to secure employees and Directors who can assist the Company in achieving its objectives, it is necessary to provide remuneration and incentives to such personnel. Under the Company's current circumstances, the Directors consider that granting options to employees and Directors are a cost effective and efficient incentive, as opposed to alternative forms of incentives such as cash bonuses or increased remuneration.

A summary of the key terms of the Plan is set out in **Annexure A**.

Shareholder approval under Listing Rule 7.2, Exception 9(b)

Listing Rule 7.2 Exception 9(b) provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme that has been approved by the holders of ordinary securities within three years of the date of issue. Accordingly, the Company is seeking Shareholder approval pursuant to Resolution 4 so that an issue of Options under the Plan can fall within the exception to the calculation of the 15% limit imposed by Listing Rule 7.1 on the number of securities which may be issued without Shareholder approval. This will preserve the Company's ability to issue securities under Listing Rule 7.1 for other purposes, such as capital raising. Separate Shareholder approval will be required before any Director or other related party of the Company can participate in the Plan.

In accordance with the requirements of Listing Rule 7.2 Exception 9(b), the following information is provided to Shareholders:

- (a) a summary of the rules of the Plan is set out in **Annexure A**;
- (b) the Plan has not previously been approved by Shareholders;
- (c) a voting exclusion statement has been included in relation to Resolution 4.

The Board considers that the Plan is an appropriate way to assist in the recruitment, reward, retention and motivation of Company personnel and recommend that Shareholders vote in favour of Resolution 4.

Resolution 5 – Approval of Additional 10% Placement Capacity

Background

Listing Rule 7.1A enables an eligible entity to issue Equity Securities up to 10% of its issued share capital over a 12-month period after the annual general meeting at which a resolution for the purposes of Listing Rule 7.1A is passed by special resolution (**Additional 10% Placement Capacity**). The Additional 10% Placement Capacity is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An entity will be eligible to seek approval under Listing Rule 7.1A if:

- (a) the entity has a market capitalisation of \$300 million or less; and
- (b) the entity is not included in the S&P ASX 300 Index.

The Company has a market capitalisation of approximately \$19 million as at the date of this Notice and is an eligible entity for the purposes of Listing Rule 7.1A.

Resolution 5 seeks Shareholders' approval to issue additional Equity Securities under the Additional 10% Placement Capacity. The approval of the Additional 10% Placement Capacity provides greater flexibility for the Board to issue

Shares in the 12-month period following the Meeting. It is anticipated that funds raised by the issue of Equity Securities under the Additional 10% Placement Capacity would be applied towards the Company's exploration activities, the acquisition of new assets (should suitable assets be found), administration costs and general working capital.

If passed, Resolution 5 will allow the Company to issue Equity Securities under Listing Rule 7.1A during the Additional Placement Period (as defined below) without using the Company's 15% placement capacity under Listing Rule 7.1.

Listing Rule 7.1A

Equity Securities issued under the Additional 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the Company. As at the date of this Notice, the Company has quoted Shares on issue.

Based on the number of Shares on issue at the date of this Notice, the Company has 1,236,280,571 Shares on issue and therefore, subject to Shareholders approving Resolution 5, 123,628,057 Equity Securities may be issued in accordance with Listing Rule 7.1A. Shareholders should note that the calculation of the number of Equity Securities permitted to be issued under the Additional 10% Placement Capacity is a moving calculation and will be based the formula set out in Listing Rule 7.1A.2 at the time of issue of the Equity Securities. That formula is:

(A x D) – E

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
- (a) plus the number of fully paid Shares issued in the 12 months under an exception in Listing Rule 7.2;
 - (b) plus the number of partly paid Shares that became fully paid in the 12 months;
 - (c) plus the number of fully paid Shares issued in the 12 months with approval of Shareholders under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid Shares under the Company's 15% placement capacity without Shareholder approval; and
 - (d) less the number of fully paid Shares cancelled in the 12 months.

Note that 'A' is has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue, that are not issued with the approval of Shareholders under Listing Rules 7.1 or 7.4.

Shareholders will be kept fully informed of any issue of Equity Securities under the Additional 10% Placement Capacity as the Company will disclose to the market at the time of issue the specific information required by Listing Rule 3.10.5A (such as details of dilution of existing Shareholders) in addition to information required by Listing Rule 7.1A.4, Appendix 3B and any other applicable Listing Rules. The table below demonstrates various examples as to the number of Equity Securities that may be issued under the Additional 10% Placement Capacity.

Variable 'A'	Number of Shares issued and funds raised under the Additional 10% Placement Capacity and dilution effect	Dilution		
		Issue Price at half the current market price \$0.008	Issue Price at current market price \$0.016	Issue Price at double the current market price \$0.032
Current Variable 'A' 1,236,280,571 Shares	Shares issued	123,628,057	123,628,057	123,628,057
	Funds raised	\$989,024	\$1,978,049	\$3,956,098
	Dilution	10%	10%	10%
50% increase in current Variable 'A' 1,854,420,856 Shares	Shares issued	185,442,085	185,442,085	185,442,085
	Funds raised	\$1,483,537	\$2,967,073	\$5,934,147
	Dilution	10%	10%	10%

100% increase in current variable 'A' 2,472,561,142 Shares	Shares issued	247,256,114	247,256,114	247,256,114
	Funds raised	\$1,978,049	\$3,956,098	\$7,912,196
	Dilution	10%	10%	10%

Note: The table above assumes:

- (a) No Options are exercised before the date of the issue of the Equity Securities.
- (b) The issue of Equity Securities under the Additional 10% Placement Capacity consists only of Shares.
- (c) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Additional 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

Resolution 5 is a special resolution, requiring approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative) in order to be passed.

Specific information required by Listing Rule 7.3A

The following information in relation to the Shares proposed to be issued is provided to Shareholders for the purposes of Listing Rule 7.3A:

Minimum price	The Equity Securities will be issued at an issue price of not less than 75% of the volume weighted average price for the Company's Equity Securities over the 15 Trading Days on which trades in the class were recorded immediately before: (a) the date on which the price at which the Equity Securities are to be issued is agreed; or (b) if the Equity Securities are not issued within five Trading Days of the date in paragraph (a) above, the date on which the Equity Securities are issued.
Potential risk of economic and voting dilution	If Resolution 5 is approved by Shareholders and the Company issues Equity Securities under the Additional 10% Placement Capacity, Shareholders who do not participate (either because they are not invited to participate or because they elect not to participate) in any such issue, will have their existing interest and voting power in the Company diluted. There is also a risk that: (a) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; (b) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities; or (c) the Equity Securities may be issued for non-cash consideration, which may have an effect on the amount of funds raised by the issue of Equity Securities under the Additional 10% Placement Capacity. The table above on pages 4 to 5 shows the dilution of existing Shareholders upon the issue of the maximum number of Equity Securities under the Additional 10% Placement Capacity, using different variables for the number of ordinary securities for variable 'A' (as defined in Listing Rule 7.1A) and the market price of Shares. It is noted that variable 'A' is based on the number of ordinary securities the Company has on issue at the time of the proposed issue of Equity Securities. The table shows: (a) examples of where variable 'A' is at its current level, and where variable 'A' has increased by 50% and by 100%; (b) examples of where the issue price of ordinary securities is the current market price as at close of trade on 28 September 2016, being \$0.016, (current market

	price), where the issue price is halved, and where it is doubled; and (c) that the dilutionary effect will always be 10% if the maximum number of Equity Securities that may be issued under the Additional 10% Placement Capacity are issued.
Timing of potential issues	Approval of the Additional 10% Placement Capacity will be valid during the period (Additional Placement Period) from the date of the Meeting and will expire on the earlier of: (a) the date that is 12 months after the date of the Meeting; and (b) the date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).
Purpose of potential issues	The Company may seek to issue the Equity Securities for the following purposes: (a) If Equity Securities are issued for cash consideration, the Company intends to use the funds for exploration activities, the acquisition of new assets (should suitable assets be found), administration costs and general working capital; and (b) If Equity Securities are issued for non-cash consideration to acquire access to strategic tenements or assets identified by the Company to further existing projects and future growth. If Equity Securities are issued for non-cash consideration, the Company will comply with the minimum issue price limitation under Listing Rule 7.1A.3 in relation to such issue and will release the valuation of the non-cash consideration to the market. The Company will comply with the disclosure obligations under Listing Rules 7.1A.3 and 3.10.5A upon issue of any Equity Securities.
Allocation policy	The identity of the persons to whom Shares will be issued is not yet known and will be determined on a case by case basis having regard to market conditions at the time of the proposed issue of Equity Securities, including consideration of matters including, but not limited to: (a) the ability of the Company to raise funds at the time of the proposed issue of Equity Securities and whether the raising of any funds under such placement could be carried out by means of an entitlements offer, or a placement and an entitlements offer; (b) the dilutionary effect of the proposed issue of the Equity Securities on existing Shareholders at the time of proposed issued of Equity Securities; (c) the financial situation and solvency of the Company; and (d) advice from its professional advisers, including corporate, financial and broking advisers (if applicable). The persons to whom Shares will be issued under the Additional 10% Placement Capacity have not been determined as at the date of this Notice, but will not include related parties (or their Associates) of the Company.
Previous approval under Listing Rule 7.1A	The Company previously obtained Shareholder approval under Listing Rule 7.1A on 21 November 2012. In the 12 months preceding the date of the Meeting, the Company has issued 149,923,809 Equity Securities which represents 13.12% of the total number of Equity Securities on issue at the commencement of that 12-month period. Annexure B sets out information in relation to each issue of Equity Securities in the 12 months preceding the date of the Meeting.
Voting exclusion statement	A voting exclusion statement is included in the Notice in relation to Resolution 5. The Company has not approached, and has not yet determined to approach, any particular existing security holders or an identifiable class of existing security holders to participate in an offer under the Additional 10% Placement Capacity, therefore no existing security holders' votes would be excluded under the voting exclusion statement included in this Notice.

Resolutions 6, 7 and 8 – Approval to issue Director Options

The Company proposes to grant a total of 18,000,000 Director Options to the Directors, or their nominees as follows:

- Mr Ian Mulholland, Managing Director – 10,000,000 Director Options;
- Mr Brett Dickson, Finance Director – 5,000,000 Director Options; and
- Mr Stephen Dennis, non-executive director – 3,000,000 Director Options.

Each Director Option will have an exercise price equal to a 50% premium to the volume weighted average price of Shares on ASX on the 30 Trading Days before the date of this Meeting, and will have an expiry date of 30 November 2019, and are subject to the following vesting conditions:

- a first tranche of 50% of the Director Options are only exercisable from 30 November 2017; and
- a second tranche of 50% of the Director Options are only exercisable from 30 November 2018.

The Board has determined the exercise price of the Director Options with regard to the market value of the Shares, and considers the price to be a suitable premium to meet the objectives of the proposed grant of Director Options as outlined on pages 7 and 8 of this Explanatory Memorandum.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefits falls within one of the nominated exceptions to the provision; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

For the purposes of Chapter 2E of the Corporations Act, each of the Directors (or their nominee(s)) is a related party of the Company.

Resolutions 6, 7 and 8 relate to the proposed grant of Director Options to each of the Directors, which is a financial benefit that requires Shareholder approval for the purposes of section 208 of the Corporations Act.

The following information in relation to the proposed issue of Director Options, the subject of Resolutions 6, 7 and 8 is provided to Shareholders for the purposes of section 219 of the Corporations Act and with reference to ASIC Regulatory Guide 76: *Related party transactions*:

	Resolution 6	Resolution 7	Resolution 8
Identity of the related party	Mr Ian Mulholland, or his nominee(s)	Mr Brett Dickson, or his nominee(s)	Mr Stephen Dennis, or his nominee(s)
Nature of the financial benefit	The proposed financial benefit is the issue of 10,000,000 Director Options for no consideration.	The proposed financial benefit is the issue of 5,000,000 Director Options for no consideration.	The proposed financial benefit is the issue of 3,000,000 Director Options for no consideration.
Details of the financial benefit, including reasons for giving the type and quantity of the benefit	The terms of the Director Options are set out in Annexure C . The grant of Director Options encourages Mr Mulholland, as the Company's Managing Director, and Mr Dickson, as the Company's Finance Director to have a greater involvement in the achievement of the Company's objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Company through Share ownership. Under the Company's current circumstances, the Directors consider (in each case in the absence of Mr Mulholland and Mr Dickson) that the incentive intended for Mr Mulholland represented by the grant of 10,000,000 Director Options, and the incentive intended for Mr Dickson by the grant of 5,000,000 Director Options is a cost effective and efficient means for the Company to provide a reward and an incentive, as opposed to alternative forms of incentive, such as the		

	payment of additional cash compensation. Under the Company's current circumstances, the Directors consider that the issue of Director Options to Mr Dennis represents a cost effective way for the Company to remunerate him as a director, as opposed to cash remuneration and it is designed to attract and retain suitably qualified non-executive directors, and to align their interests with the interests of other security holders. The Director Options have vesting conditions (as outlined in the terms set out in in Annexure C), but do not have any performance hurdles attached to them. The number and exercise price of the Directors Options to be granted to each of the Directors has been determined based upon a consideration of: (a) the cash remuneration of the Directors; (b) the extensive experience and reputation of the Directors within the resources industry; (c) the current price of Shares; (d) the Directors' wish to ensure that the remuneration offered is competitive with market standards or/and practice. The Directors have considered the proposed number of Directors Options to be granted and will ensure that the overall remuneration is in line with market practice; (e) attracting and retaining suitably qualified non-executive directors; and (f) incentives to attract and ensure continuity of service of Directors who have appropriate knowledge and expertise, while maintaining the Company's cash reserves. The Company does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Director Options upon the terms proposed.		
Directors current holdings	Set out below are details of each of the Directors' relevant interests in securities (held directly and indirectly) of the Company as at the date of this Notice:		
	Mr Ian Mulholland • 15,033,103 Shares • 10,000,000 Options exercisable at 5.6 cents, expiring 30/11/2017 • 10,000,000 Options exercisable at 2.7 cents, expiring 30/11/2018	Mr Brett Dickson • 7,775,000 Shares • 5,000,000 Options exercisable at 5.6 cents, expiring 30/11/2017 • 5,000,000 Options exercisable at 2.7 cents, expiring 30/11/2018	Mr Stephen Dennis • 2,200,000 Shares • 3,000,000 Options exercisable at 2.7 cents, expiring 30/11/2018
Dilution effect of issue of Director Options on existing members' interests	If passed, Resolutions 6, 7 and 8 will give the Directors power to grant a total of 18,000,000 Director Options on the terms and conditions as set out in Annexure C and as otherwise mentioned above.		
	As at the date of this Notice, the Company has 1,236,280,571 listed Shares and 62,037,301 unlisted Options (details of the unlisted Options are set out in the table below) on issue:		
	Number of Options	Exercise price	Expiry date
	17,500,000	5.6 cents	30 November 2017
	21,850,000	2.7 cents	30 November 2018
1,250,000	5.7 cents	28 February 2017	
21,437,301	8.0 cents	31 March 2017	
	If all Director Options granted as proposed above are exercised, and assuming all existing Options on issue have been exercised, the effect of the exercise of the Director Options would be to dilute the shareholding of existing Shareholders by 1.4%. The market price of the Company's Shares during the period of the Director Options will normally determine whether or not the Directors exercise the Director Options. At the time any Director Options are exercised and Shares are issued pursuant to the		

	exercise Director Options, the Company's Shares may be trading at a price which is higher than the exercise price of the Director Options. The Director Options will not be quoted on ASX.																				
Directors total remuneration package	The Directors' fees per annum and the total financial benefit to be received by them in this current period, as a result of the grant of the Director Options the subjects of Resolutions 6, 7 and 8 are as follows: <table><tr><th>Director</th><th>Base Salary</th><th>Superannuation</th><th>Value of Director Options</th><th>Total financial benefit</th></tr><tr><td>Mr Mulholland</td><td>\$286,534</td><td>\$35,000</td><td>\$88,000</td><td>\$409,534</td></tr><tr><td>Mr Dickson</td><td>\$158,400</td><td>\$-</td><td>\$44,000</td><td>\$202,400</td></tr><tr><td>Mr Dennis</td><td>\$40,435</td><td>\$3,841</td><td>\$26,400</td><td>\$70,676</td></tr></table> The indicative valuation of 0.88 cents per Director Option is a theoretical valuation of each Director Option using the Binomial Model (see below).	Director	Base Salary	Superannuation	Value of Director Options	Total financial benefit	Mr Mulholland	\$286,534	\$35,000	\$88,000	\$409,534	Mr Dickson	\$158,400	\$-	\$44,000	\$202,400	Mr Dennis	\$40,435	\$3,841	\$26,400	\$70,676
Director	Base Salary	Superannuation	Value of Director Options	Total financial benefit																	
Mr Mulholland	\$286,534	\$35,000	\$88,000	\$409,534																	
Mr Dickson	\$158,400	\$-	\$44,000	\$202,400																	
Mr Dennis	\$40,435	\$3,841	\$26,400	\$70,676																	
Valuation of Director Options	The Company has valued the Director Options proposed to be issued to the Directors using the Binomial Model. The valuation of an option using the Binomial Model is a function of a number of variables. The valuation of the Director Options has been prepared using the following assumptions: <table><tr><th>Variable</th><th>Input</th></tr><tr><td>Share price</td><td>1.6 cents</td></tr><tr><td>Exercise price</td><td>2.4 cents</td></tr><tr><td>Risk free interest rate</td><td>1.56%</td></tr><tr><td>Volatility</td><td>100%</td></tr><tr><td>Time (years to expiry)</td><td>3 years</td></tr></table> For the purposes of calculating the value of each Director Options, the Company has: (a) assumed the Share price is \$0.016, which was the closing price of Shares on ASX on 28 September 2016, being the date of valuation of the Director Options; (b) assumed the exercise price is \$0.024, being the price equal to a 50% premium to the price in (a) above; (c) used a risk free interest rate of 1.56%, (estimated based on the 3-year Australian treasury bond rate as at the date of valuation of the Director Options); (d) used a volatility of the Share price of 100% as determined from the daily movements in Share price over the last 12-months, adjusted for abnormal trading; and (e) assumed that the Director Options are issued on 30 November 2016. Based on the above, the Company has calculated an indicative value of one Director Option to be 0.88 cents. Accordingly, an indicative value of all Director Options, proposed to be issued pursuant to Resolutions 6, 7 and 8 is \$158,400. Any change in the variables applied in the Binomial Model calculation between the date of the valuation (28 September 2016) and the date the Director Options are issued would have an impact on their value.	Variable	Input	Share price	1.6 cents	Exercise price	2.4 cents	Risk free interest rate	1.56%	Volatility	100%	Time (years to expiry)	3 years								
Variable	Input																				
Share price	1.6 cents																				
Exercise price	2.4 cents																				
Risk free interest rate	1.56%																				
Volatility	100%																				
Time (years to expiry)	3 years																				
Company's historical	The following table gives details of the highest, lowest and latest closing prices of the																				

Share price	Company's Shares trading on ASX over the past 12 months ending on 28 September 2016: <table><tr><th>Highest price/date</th><th>Lowest price/date</th><th>Latest price/date</th></tr><tr><td>\$0.033 on 1 June 2016</td><td>\$0.009 on 5 February 2016</td><td>\$0.016 on 28 September 2016</td></tr></table>	Highest price/date	Lowest price/date	Latest price/date	\$0.033 on 1 June 2016	\$0.009 on 5 February 2016	\$0.016 on 28 September 2016
Highest price/date	Lowest price/date	Latest price/date					
\$0.033 on 1 June 2016	\$0.009 on 5 February 2016	\$0.016 on 28 September 2016					
Other information	Under the Australian Equivalent of the International Financial Reporting Standards, the Company is required to expense the value of the Director Options in its statement of financial performance for the current financial year. Other than as disclosed in this Explanatory Memorandum, the Directors do not consider that from an economic and commercial point of view, there are any costs or detriments including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in issuing the Director Options pursuant to Resolutions 6, 7 and 8. Neither the Directors nor the Company are aware of other information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by Resolutions 6, 7 and 8.						
Directors' recommendations	All the Directors were available to make a recommendation. Mr Ian Mulholland declines to make a recommendation about Resolution 6 as he has a material personal interest in the outcome of that particular Resolution as it relates to the proposed grant of Director Options to him individually (or his nominee(s)). Messrs Dickson and Dennis also decline to make a recommendation about Resolution 6. ASIC Regulatory Guide 76: <i>Related Party Transactions</i> notes at paragraph 76.103 that it is good practice for directors to avoid making a recommendation for resolutions about each other's remuneration as there may be a conflict of interest. Whilst Messrs Dickson and Dennis do not have a material personal interest in the outcome of Resolution 6, given it is proposed that they also be issued with Director Options under Resolutions 7 and 8 respectively, they have declined to make a recommendation about Resolution 6 in line with the ASIC guidance. Mr Brett Dickson declines to make a recommendation about Resolution 7 as he has a material personal interest in the outcome of that particular Resolution as it relates to the proposed grant of Director Options to him individually (or his nominee(s)). Messrs Mulholland and Dennis also decline to make a recommendation about Resolution 7. Whilst Messrs Mulholland and Dennis do not have a material personal interest in the outcome of Resolution 7, given it is proposed that they also be issued with Director Options under Resolutions 6 and 8 respectively, they have declined to make a recommendation about Resolution 7 in line with the ASIC guidance outlined above. Mr Stephen Dennis declines to make a recommendation about Resolution 8 as he has a material personal interest in the outcome of that particular Resolution as it relates to the proposed grant of Director Options to him individually (or his nominee(s)). Messrs Mulholland and Dickson also decline to make a recommendation about Resolution 8. Whilst Messrs Mulholland and Dickson do not have a material personal interest in the outcome of Resolution 8, given it is proposed that they also be issued with Director Options under Resolutions 6 and 7 respectively, they have declined to make a recommendation about Resolution 8 in line with the ASIC guidance outlined above.						

Listing Rules 10.11 and 10.13

Listing Rule 10.11 requires Shareholder approval by ordinary resolution for any issue of securities by a listed company to a related party. Accordingly, Listing Rule 10.11 requires Shareholders to approve the grant of Director Options to each of the Directors.

The following information in relation to the Director Options it is proposed be issued to the Directors the subject of Resolutions 6, 7 and 8 is provided to Shareholders for the purposes of Listing Rule 10.13:

	Resolution 6	Resolution 7	Resolution 8
Name of person	Mr Ian Mulholland, a Director, or his nominee(s)	Mr Brett Dickson, a Director, or his nominee(s)	Mr Stephen Dennis, a Director, or his nominee(s)
Maximum number of securities to be issued	10,000,000 Director Options	5,000,000 Director Options	3,000,000 Director Options
Date by which the Company will issue the securities	The Director Options will be issued on one date, which will be no later than one month after the date of the Meeting, or such other date as approved by ASX.		
Issue price of securities and statement of terms of issue	The Director Options will be issued for no cash consideration. The terms and conditions of the Director Options are set out in Annexure C . The exercise price of the Director Options will be announced by the Company to ASX on the morning of the Meeting.		
Voting exclusion statement	A voting exclusion statement has been included in the Notice in relation to each of Resolutions 6, 7 and 8.		
Intended use of the fund raised	No funds will be raised by the issue of the Director Options.		

If approval is given for the issue of the Director Options under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

Section 195(4) of the Corporations Act

Section 195(1) of the Corporations Act prohibits a director of a public company who has a material personal interest in a matter that is being considered at a directors' meeting from being present while the matter is being considered at the meeting or voting on the matter. If there is not a quorum of directors who are eligible to vote on a matter because of the operation of section 195(1) of the Corporations Act, one or more directors may call a general meeting and the general meeting may deal with the matter.

The Directors do not have a material personal interest in the issue of Director Options to a Director (or their nominee(s)) other than to himself. However, given that it is proposed that all Directors are issued Director Options pursuant to Resolutions 6, 7 and 8, they may be considered to have a material personal interest in the outcome of Resolutions 6, 7 and 8, in which case the Directors would be unable to form a quorum. Accordingly, the Board considers it prudent to exercise their right under section 195(4) of the Corporations Act, and put the matter to Shareholders to resolve.

Glossary

\$ means Australian dollars.

Accounting Standards has the meaning given to that term in the Corporations Act.

Additional 10% Placement Capacity has the meaning set out on page 3 of the Explanatory Memorandum.

Additional Placement Period has the meaning set out on page 6 of the Explanatory Memorandum.

Annexure A means the annexure to the Explanatory Memorandum marked A.

Annexure B means the annexure to the Explanatory Memorandum marked B.

Annexure C means the annexure to the Explanatory Memorandum marked C.

Annual Report means the annual report of the Company for the year ended 30 June 2016.

Associate has the meaning given in sections 12 and 16 of the Corporations Act. Section 12 is to be applied as if paragraph 12(1)(a) included a reference to the Listing Rules and on the basis that the Company is the “designated body” for the purposes of that section. A related party of a director or officer of the Company or of a Child Entity of the Company is to be taken to be an associate of the director or officer unless the contrary is established.

ASX means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

Auditor means the Company’s auditor from time to time.

Auditor’s Report means the report of the Auditor contained in the Annual Report for the year ended 30 June 2016.

Board means the Directors.

Chair means the individual elected to chair any meeting of the Company from time to time.

Child Entity has the meaning given to that term in the Listing Rules.

Closely Related Party has the meaning given to that term in the Corporations Act.

Company means Rox Resources Limited ABN 53 107 202 602.

Constitution means the Company’s constitution, as amended from time to time.

Corporations Act means *Corporations Act 2001* (Cth).

Director Option means an Option, with the terms and conditions set out in Annexure C.

Directors means the directors of the Company.

Directors’ Report means the directors’ report set out in the Annual Report for the year ended 30 June 2016.

Equity Securities has the meaning set out in the ASX Listing Rules.

Explanatory Memorandum means the explanatory memorandum accompanying this Notice.

Key Management Personnel has the meaning given to that term in the Accounting Standards.

Listing Rules means the ASX Listing Rules.

Meeting means the Annual General Meeting convened by the Notice.

Notice means this Notice of Annual General Meeting.

Option means an option to acquire a Share.

Plan means the Rox Resources Limited Employee Share Option Plan, a summary of the rules of which are set out in Annexure A.

Remuneration Report means the remuneration report set out in the Annual Report for the financial year ended 30 June 2016.

Resolution means a resolution contained in the Notice.

Restricted Voter means Key Management Personnel and their Closely Related Parties as at the date of the Meeting.

Shareholder means a member of the Company from time to time.

Shares means fully paid ordinary shares in the capital of the Company.

Spill Meeting has the meaning set out on page 1 of the Explanatory Memorandum.

Spill Resolution the meaning set out on page 1 of the Explanatory Memorandum.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

WST means **Australian** Western Standard time.

Annexure A – Summary of Employee Share Option Plan Rules

Plan limit	Where an offer is made under the Plan in reliance on CO 14/1000 (or any amendment or replacement of it) the Board must, at the time of making the offer, have reasonable grounds to believe that the total number of Shares which would be issued if the Options the subject of the offer vested, will not exceed 5% of the total number of Shares on issue when aggregated with the number of Shares issued or that may be issued as a result of offers made at any time during the previous 3 year period under the Plan or any other employee incentive scheme or like scheme of the Company covered by CO 14/1000 or an individual instrument made by ASIC in terms similar to the class order, or any employee incentive scheme or employee share scheme of the Company, where the offers were covered by ASIC Class Order 03/184 or an individual instrument made by ASIC in similar terms to that class order. This limit is in accordance with CO 14/1000.
Quotation	Options will not be quoted on ASX.
No transfer	Options cannot be assigned, transferred, novated, encumbered or otherwise disposed of unless the Board consents (in its sole and absolute discretion) or the assignment or transfer occurs by force of law. Any transfer in breach of these requirements results in immediate lapse of the Option.
Eligible Employees	The Board may, in its absolute discretion, offer Options to any of the following persons: (a) a full time or part time employee (including an executive director) or non-executive director of the Company or an associated body corporate (being a body corporate that is a related body corporate of the body, a body corporate that has voting power in the body of not less than 20% or a body corporate in which the body has voting power of not less than 20%) (Group Company); (b) an individual who is or might reasonably be expected to be engaged to work the number of hours that are the pro rata equivalent of 40% or more of a comparable full time position with a Group Company; or (c) an individual or company with whom a Group Company has entered into a contract for the provision of services under which the individual or a director or their spouse performs work for a Group Company. A person who the Board invites to participate in the Plan are called Eligible Employees. The Board may permit Options to be offered to another party nominated by an Eligible Employee (for example, the Eligible Employee's (a) immediate family member; (b) a corporate trustee of a self-managed superannuation fund (within the meaning of the <i>Superannuation Industry (Supervision) Act 1993</i>) where the Eligible Employee is a director of the trustee; or (c) a company whose members are no-one other than the Eligible Employee or their immediate family members) (Nominated Party). A Participant is an Eligible Employee or Nominated Party to whom Options have been granted.
No consideration for issue	No consideration is payable for the issue of an Option.
Terms and conditions – Board discretion	The Board may invite Eligible Employees to participate in the Plan by providing a written offer document (Offer). The Offer must contain (among other things) the maximum number of Options that may be applied for, any relevant vesting conditions and vesting period, the dates which the Options may be exercised (subject to the terms of the Offer and the Plan) and the expiry date of the Options. These terms and conditions are at the Board's discretion.
Vesting and exercise	The vesting conditions (if any) will be determined when the Options are granted, and set out in the Offer. Options will vest when the relevant vesting conditions (if any) are satisfied, waived by the Board or are deemed to have been satisfied under the Plan. Provided any vesting conditions have been satisfied or waived and the Option is otherwise capable of exercise, an Option may be exercised at any time up until the expiry date specified in the Offer.
Adjustment to exercise terms	The Board will have the power to make adjustments to or vary the terms of exercise of an Option, including reducing or waiving the vesting conditions attaching to Options in whole or in part at any time and in any particular case. Any proposed variation or adjustment will be subject to any requirements of the Corporations Act and/or the Listing Rules (including Shareholder approval). However, no variation to the terms of exercise of an Option will be made without the consent of the Participant if it would have a material prejudicial effect on them, unless introduced primarily to comply with the law or Plan, to correct manifest error or to enable regulatory compliance.

Lapse of Options	Unless otherwise specified in the vesting conditions or determined otherwise by the Board, an Option lapses on the earlier of: (a) the Board determining that any vesting condition attaching to the Option has not been satisfied or is not capable of being satisfied; (b) the day after the last day the Option may be exercised; and (c) the Option lapsing under the cessation of employment, change of control or breach, fraud or misconduct provisions of the Plan. When Options lapse, all rights of a Participant in respect of those Options are forfeited.
New issues, reorganisations and winding-up	If the Company makes a pro rata issue of Shares (except a bonus issue) during the term of an Option, the exercise price of the Option will be reduced according to the formula in the Listing Rules. If the Company makes a bonus issue of Shares during the term of an Option, the number of Shares the holder is entitled to will be increased by the number of Shares the holder would have been issued if the Options were exercised. If there is a reorganisation of the issued capital of the Company (including a consolidation, subdivision, reduction or return) then the rights of a Participant (including the number of Options to which each Participant is entitled and the exercise price) will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation. If a resolution for a members' voluntary winding up of the Company is proposed (other than for the purpose of a reconstruction or amalgamation) the Board may, in its absolute discretion, give written notice to Participants of the proposed resolution. Subject to the vesting conditions, the Participants may, during the period referred to in the notice, exercise their Options
Cessation of employment	Subject to the ultimate discretion of the Board, if a Participant ceases to be employed due to: (a) resignation, dismissal for cause or poor performance or another circumstance determined by the Board, any Options held by the Participant shall lapse whether they are vested or unvested; and (b) disability, mental illness, redundancy or death, or another reason other than that stated in (a), any unvested Options held by the Participant shall lapse, but any vested Options shall continue to be able to be exercised in accordance with their terms.
Change of control	If there is a change of control event (which is defined in the plan, and includes a takeover for the Company which is (or is declared) unconditional, a court order to convene a meeting for a scheme of arrangement, a merger resulting in the current Shareholders being entitled to 50% or less of the shares of the merged entity, a Group Company agreeing to sell a majority of its business or assets or a determination of the Board that control of the Company has or is likely to change), the Board may in its sole and absolute discretion determine how unvested Options will be treated, including determining that some or all of the Options vest or reducing or waiving vesting conditions.
Misconduct and clawback	If in the opinion of the Board a Participant acts fraudulently or dishonestly or is in material breach of their obligations to a Group Company, then the Board may determine that all the Participant's Options lapse. If the Board becomes aware of a material misstatement in the Company's financial statements or some other event has occurred which, as a result, means that the vesting conditions in respect of certain vested Options were not, or should not have been determined to have been, satisfied, then the Participant will cease to be entitled to those Vested Options (Affected Options) and the Board may take various actions, including: cancelling the relevant Affected Options for no consideration; requiring that the Participant pay to the Company the after tax value of the Affected Options which have been converted into Shares or adjust fixed remuneration, incentives or participation in this Plan of a relevant Participant in the current year or any future year to take account of the after tax value of the Affected Options.
Amendment of Rules	Subject to and in accordance with the Listing Rules (including any waiver granted under such Listing Rules), the Board (without the necessity of obtaining the prior or subsequent consent of Shareholders of the Company in a general meeting) may from time to time amend (including the power to revoke, add to or vary) all or any provisions of the Rules in any respect whatsoever, by an instrument in writing, provided that rights or entitlements in respect of any Option granted before the date of amendment shall not be reduced or adversely affected unless prior written approval from the affected Participant(s) is obtained.

Annexure B – Equity Securities issued by the Company during the 12 months preceding the Meeting

Date of issue	Type of Equity Securities	No. issued	Summary of terms	Names of persons who received securities or basis on which those persons were determined	Issue price	Discount to market price (if any)	Amount of cash consideration, amount of cash spent, use of cash and intended use for remaining amount of cash (if any)	Non-cash consideration and current market value of non-cash consideration
07/12/2015	Shares	68,518,253	The Shares rank equally with all other fully paid ordinary shares on issue	42,593,659 were issued pursuant to rights issue undertaken by the Company. 24,073,008 Shares were issued to Patersons Securities Limited in accordance with the underwriting agreement for the rights issue undertaken by the Company pursuant to a prospectus dated 9 November 2015. 1,851,586 Shares were issued pursuant to sub-underwriting arrangements in place in connection with the rights issue undertaken by the Company pursuant to a prospectus dated 9 November 2015.	\$0.015	6.25%	\$388,868.91 All of the funds raised have been spent on exploration activities at the Mt Fisher and Fisher East exploration projects and general administrative expenditure.	N/A
11/12/2016	Unlisted options	21,850,000	Each Option is to acquire one Share with an exercise price of \$0.027 and an expiry date of 30 November 2018 and: - 50% of the Options will become exercisable after 30 November 2016; and - 50% of the Options will become exercisable after 30 November 2017.	The Options were issued to employees and directors of the Company as a long term incentive. The Options issued to Directors were approved at the Company's annual general meeting held on 26 November 2015 as follows: Mr I Mulholland or his nominee(s) – 10,000,000 Options Mr B Dickson or his nominee(s) – 5,000,000 Options Mr S Dennis or his nominee(s) – 3,000,000 Options	Nil	Nil	N/A	The Options were issued to employees and directors of the Company as a long term incentive. The current value of the options is \$146,439 based on a Binomial model valuation conducted on 28 September 2016.

02/08/16	Shares	55,555,556	The Shares rank equally with all other fully paid ordinary shares on issue	The Shares were issued to unrelated Australian institutional and sophisticated investors.	\$0.018	Nil 5.88% premium	\$1,000,000. None of the funds raised have been spent. The funds will be used to continue exploration principally at the Fisher East Nickel sulphide discoveries and for working capital.	N/A
----------	--------	------------	--	---	---------	----------------------	--	-----

Annexure C – Terms and Conditions of Director Options

1. No monies will be payable for the issue of the Director Options.
2. Subject to condition 16:
 - (a) 50% of the Director Options will become exercisable after 30 November 2017; and
 - (b) 50% of the Director Options will become exercisable after 30 November 2018.
3. The Director Options shall expire at 5.00pm (WST) on 30 November 2019 ("**Expiry Date**"). In addition, the options (if not yet exercised) will automatically lapse should the executive director cease employment, for whatever reason, with the Company.
4. Subject to conditions 13 and 14 each Director Option shall carry the right in favour of the option holder to subscribe for one fully paid ordinary share in the capital of the Company ("**Share**").
5. Subject to condition 12 the exercise price for each Director Option shall be a 50% premium to the volume weighted average closing Share price on the ASX over the 30 trading days preceding the date of shareholder approval for the grant of the Director Options ("**Exercise Price**").
6. Subject to condition 12 the Exercise Price of Shares the subject of the Director Options shall be payable in full on exercise of the Director Options.
7. Director Options shall be exercisable by the delivery to the registered office on the Company of a notice in writing stating the intention of the option holder to:
 - (a) exercise all or a specified number of Director Options; and
 - (b) pay the Exercise Price in full for the exercise of each Director Option.

The notice must be accompanied by a cheque made payable to the Company for the subscription monies for the Shares. An exercise of only some Director Options shall not affect the rights of the option holder to the balance of the Director Options held by him.
8. The Company shall allot the resultant Shares and deliver the holding statement within five business days of the exercise of the Director Option.
9. Subject to the requirements of the Corporations Act 2011 (Cwlth), the Director Options shall be transferable only to related parties but will not be listed on the Australian Securities Exchange ("**ASX**").
10. Shares allotted pursuant to an exercise of Director Options shall rank, from the date of allotment, equally with existing Shares in all respects.
11. The Company shall apply for official quotation on the ASX of the Shares allotted pursuant to the exercise of any of the Director Options.
12. In the case of any entitlements issue (other than a bonus issue) the Exercise Price of the Director Option shall be reduced according to the following formula:

$$O' = O - \frac{E[P - (S + D)]}{N + 1}$$

- O' = the new exercise price of the Director Option
- O = the old exercise price of the Director Option
- E = the number of underlying securities into which one Director Option is exercisable
- P = the average market price per Share (weighted by reference to volume) of the underlying securities during the five trading days ending on the day before the ex-rights date or ex-entitlements date.
- S = the subscription price for a security under the pro-rata issue.
- D = the dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro-rata issue).

N = the number of securities with rights or entitlements that must be held to receive a rights to one new security.

13. In the case of a bonus issue the number of Shares over which the Director Option is exercisable shall be increased by the number of Shares which the option holder would have received if the Director Option had been exercised before the record date for the bonus issue. The Company shall notify the ASX of the adjustments in accordance with the Listing Rules.
14. In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company, the number of the Director Options or the exercise price of the Director Options or both shall be reconstructed (as appropriate) in accordance with the Listing Rules of ASX.
15. The Options will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant Options.
16. Notwithstanding condition 2, all Director Options may be exercised by the option holder:
 - (a) in the event a takeover bid (as defined in the Corporations Act 2001) to acquire any Shares becomes or is declared to be unconditional, irrespective of whether the takeover bid extends to Shares issued and allotted after the date of the takeover bid or not; or
 - (b) at any time after the occurrence of an event which results in a shareholder, or group of associated shareholders, being entitled to sufficient Shares to give it or them the ability, and that ability is successfully exercised, in a general meeting, to replace all or a majority of the board of directors of the Company; or
 - (c) if a merger by way of scheme of arrangement under the Corporations Act 2001 has been approved by the Court under section 411(4)(b) of the Corporations Act 2001.

Lodge your vote:



Online:

www.investorvote.com.au



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

XX



Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 139054

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



 **For your vote to be effective it must be received by 10.30am (WST) Tuesday, 22 November 2016**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form →**

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark ☒ to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Rox Resources Limited hereby appoint

☐

the Chairman
of the Meeting **OR**



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Rox Resources Limited to be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on Thursday, 24 November 2016 at 10.30am (WST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 4, 6, 7 and 8 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 4, 6, 7 and 8 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 4, 6, 7 and 8 by marking the appropriate box in step 2 below.

STEP 2 Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Non Binding Resolution to adopt Remuneration Report	☐	☐	☐
Resolution 2	Re-election of Mr Brett Dickson as a Director	☐	☐	☐
Resolution 3	Ratification of prior issue of Shares	☐	☐	☐
Resolution 4	Approval of Employee Share Option Plan	☐	☐	☐
Resolution 5	Approval of Additional 10% Placement Capacity	☐	☐	☐
Resolution 6	Approval to issue Director Options to Mr Ian Mulholland or his nominee(s)	☐	☐	☐
Resolution 7	Approval to issue Director Options to Mr Brett Dickson or his nominee(s)	☐	☐	☐
Resolution 8	Approval to issue Director Options to Mr Stephen Dennis or his nominee(s)	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date

____/____/____

RXL

219815A

Computershare +