

20 FEBRUARY 2018

RRL1562D

2018 EXPLORATION STRATEGY

Key Points

- **More than 10,000m of drilling planned for first half of 2018**
 - **2,500m of diamond core, 3,600m of RC and 6,200m of aircore drilling**
 - **Active search underway for new project opportunities**
 - **Cash reserves as at 31 December 2017 of \$12.2 million plus further receivables of \$3.75 million**
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Rox Resources Limited (ASX: RXL) ("Rox" or "the Company") is pleased to provide an update on its planned activities for 2018.

Rox's strong financial position means that it can undertake significant exploration programs while at the same time continue to look for opportunities to add new assets that will build shareholder value.

While the acquisition of a suitable project with a clear path to production has been a focus over the past six months, the Company also has nickel and gold resources which, in the light of the continued strong performance of the nickel and gold price, deserve to be further progressed.

Rox Managing Director Mr. Ian Mulholland said the Company was in an enviable position for an explorer heading into 2018.

"We remain well cashed-up with \$12 million at the end of December. We have an exceptional portfolio of existing assets with exposure to the nickel and gold markets. We will continue to pursue these and monitor market conditions, particularly with respect to where we see nickel in coming years," he said.

"However, our financial position also gives us the firepower to pursue a near-term growth opportunity and we are looking at numerous projects across a range of attractive commodities that

we think can deliver significant shareholder value in the short term.”

In this context the following exploration is planned over the next six months.

Nickel

Improving outlook for nickel price due to increased demand for electric batteries and electric cars

The program of work has been designed to both discover new deposits and increase existing resources at both Fisher East and Collurabbie.

At **Fisher East** 2,500m of diamond drilling is planned; to extend the Musket and Camelwood deposits (Figures 2 & 3) by testing strong downhole EM anomalies, and at Corktree (Figures 4a and 4b) to test a very strong 1km long EM conductor, detected from surface.

Aircore drilling at **Collurabbie** (5,000m) (Figure 5) and **Fisher East** (1,200m) will allow continued definition of geochemical trends to allow targeting of deeper drilling to discover new nickel sulphide orebodies.

“At Fisher East our aims are to make a new game changing massive nickel sulphide discovery, while at the same time increasing resources and continuing to assess development options. At Collurabbie our ultimate aim is to find more massive nickel sulphide orebodies like Olympia”, Mr Mulholland said.

Gold

Outstanding results from recent aircore drilling indicate a number of strong targets for gold mineralization and increased resources

Aircore drilling at **Mt Fisher** completed in December 2017 returned strong results at a number of prospects over a 10km strike length (Figure 6) that warrant follow-up to add to current gold resources. A 3,600m program of RC drilling is planned to test targets at Dam, Dam North, Damsel, Damsel South, Dirks and Shiva.

“With our existing resource base of 86,000 ounces of gold, we see the potential for >500,000 ounces of gold in these targets at Mt Fisher. If we can achieve that, it will represent a significant gold development opportunity”.

Project Search

The Company's management team has reviewed a large number of project opportunities and assessed them against the Company's stringent, well-structured investment and technical criteria. From that initial review, a lesser number have been the subject of more advanced assessment. At this stage no project has been deemed to meet our criteria, which is based on maximizing the value to shareholders, however the Company will continue to search and evaluate new opportunities.

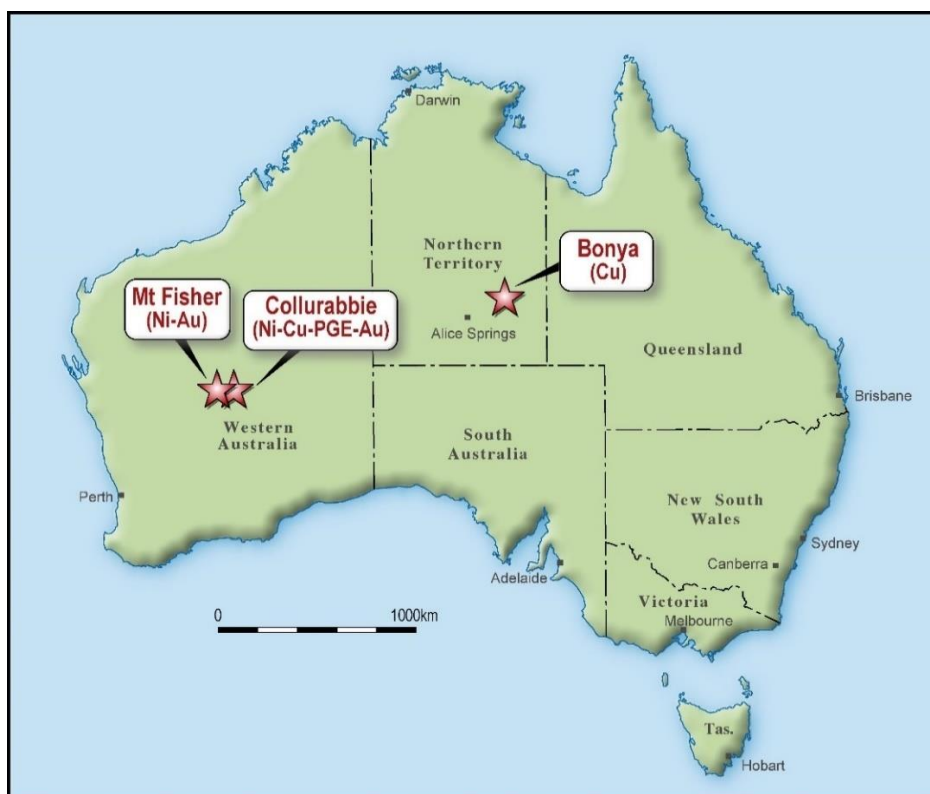


Figure 1: Rox Project Locations

For more information:

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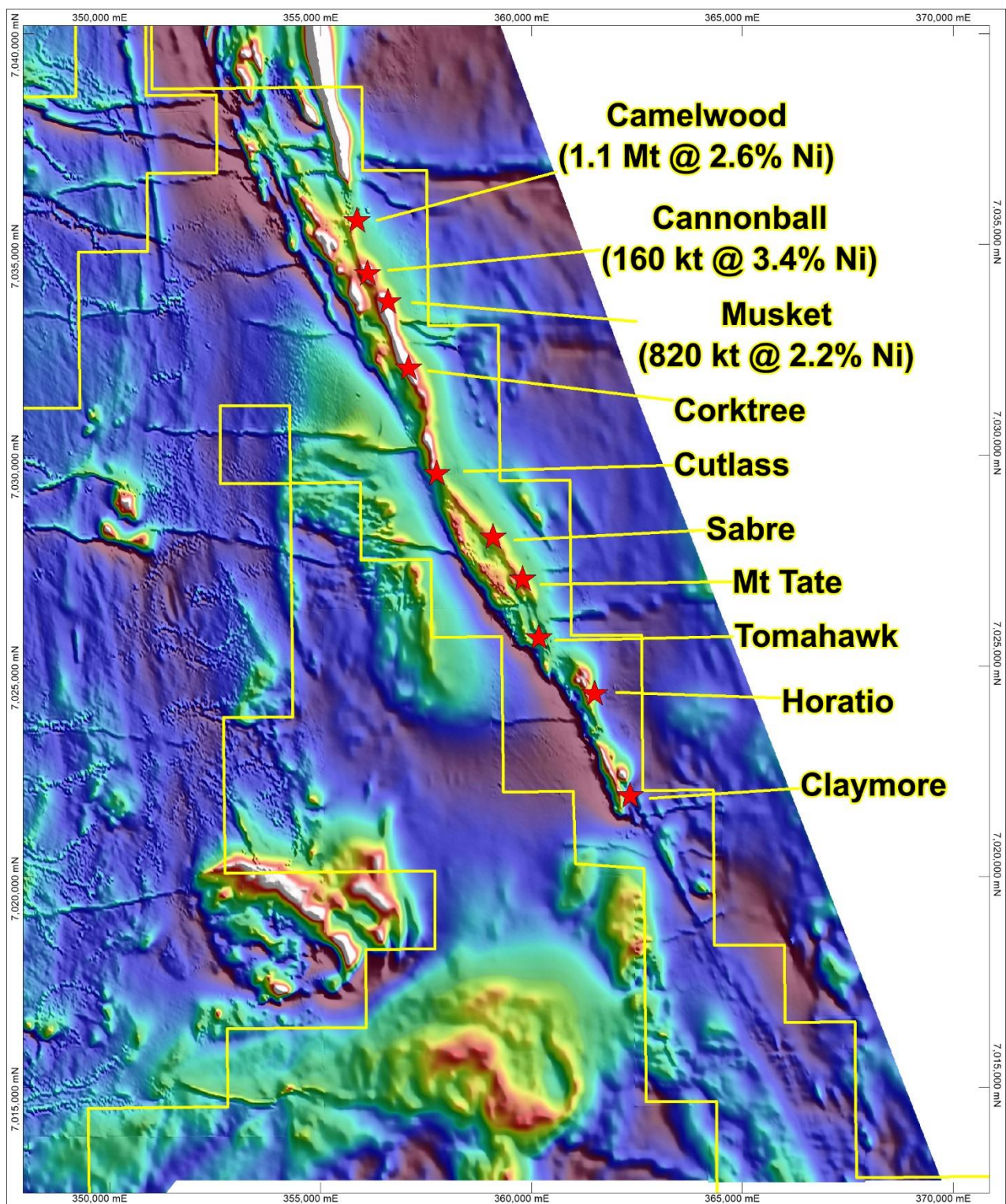


Figure 2: Fisher East Nickel Project, Prospect and Resource Locations

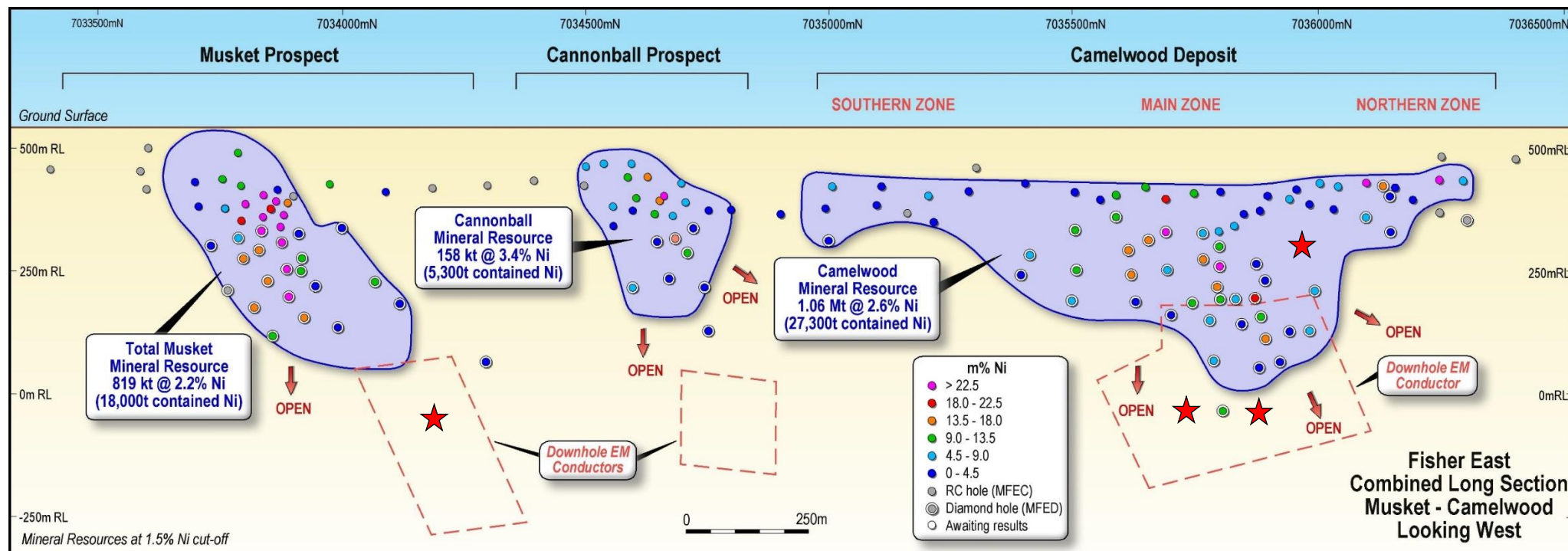


Figure 3: Musket - Camelwood Long Section

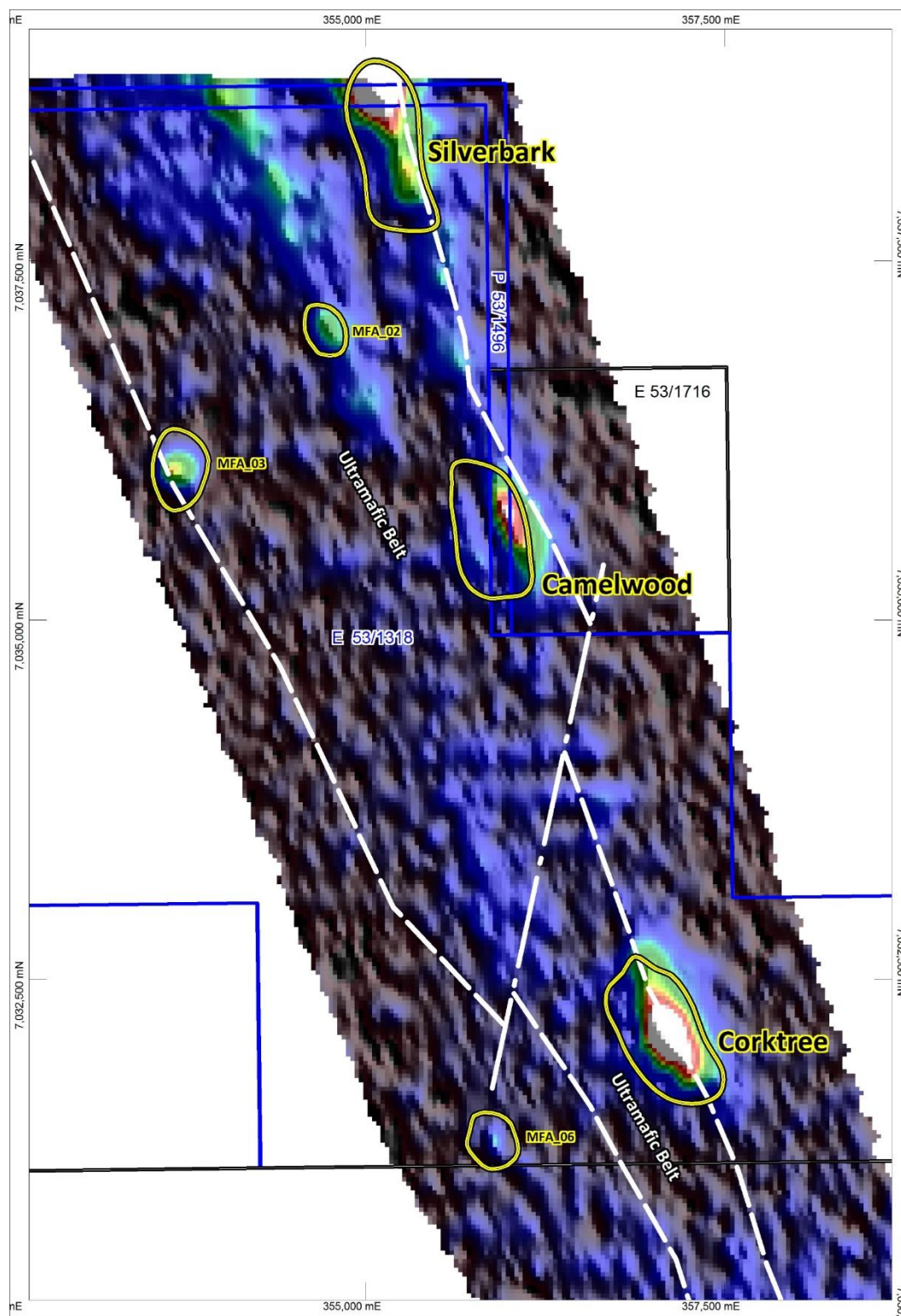


Figure 4a: Fisher East VTEM showing anomalies

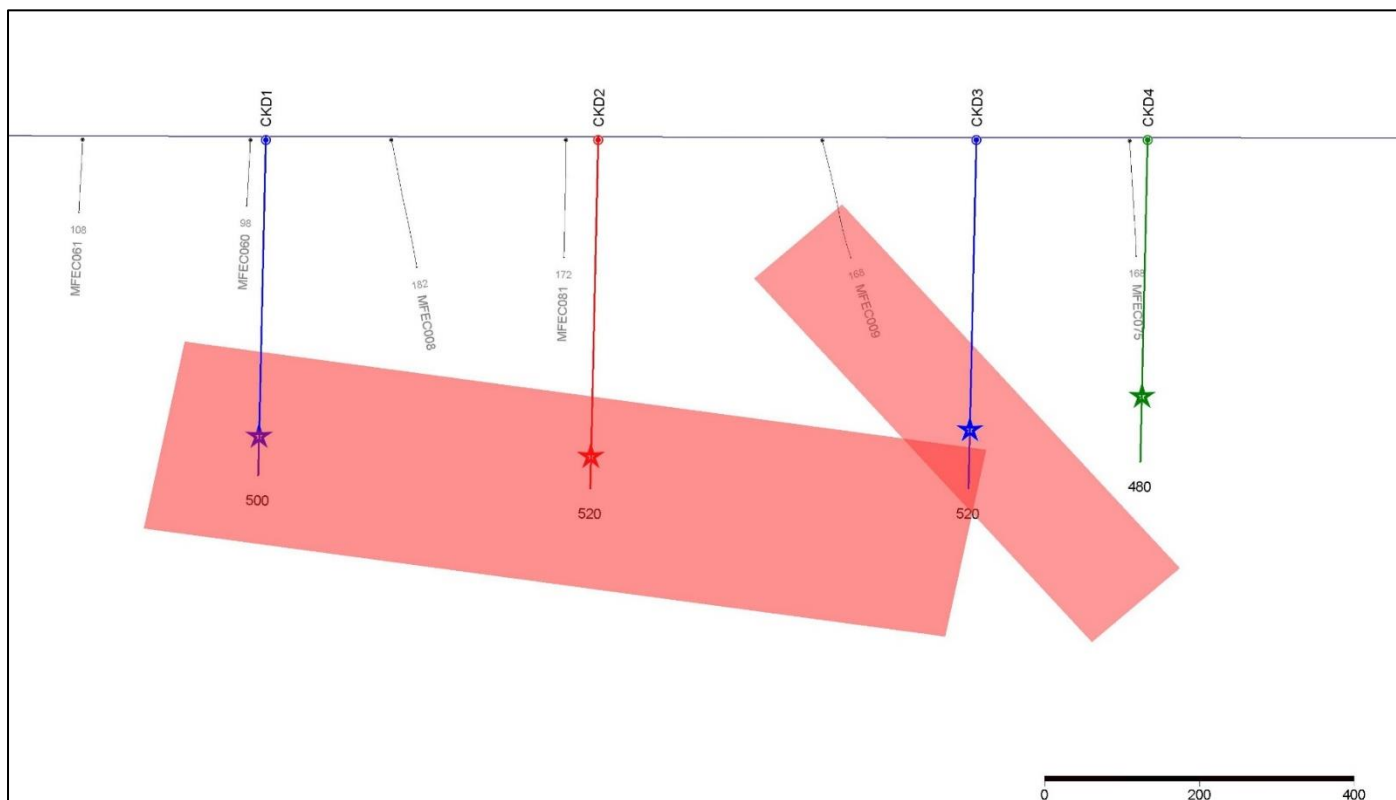


Figure 4b: Corktree Long Section showing position of interpreted EM conductor, existing and planned drilling

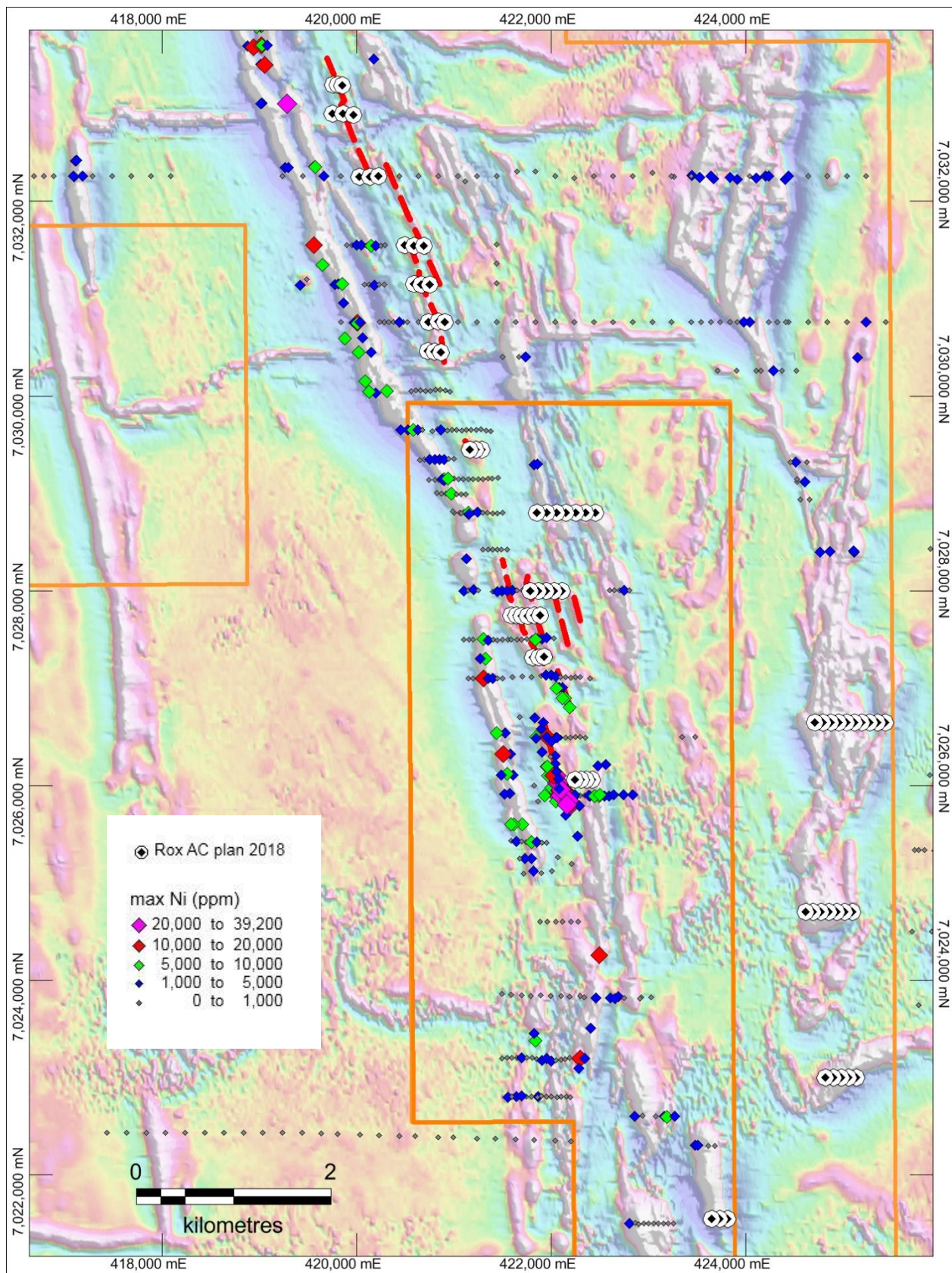


Figure 5: Planned Aircore Drilling at Collurabbie

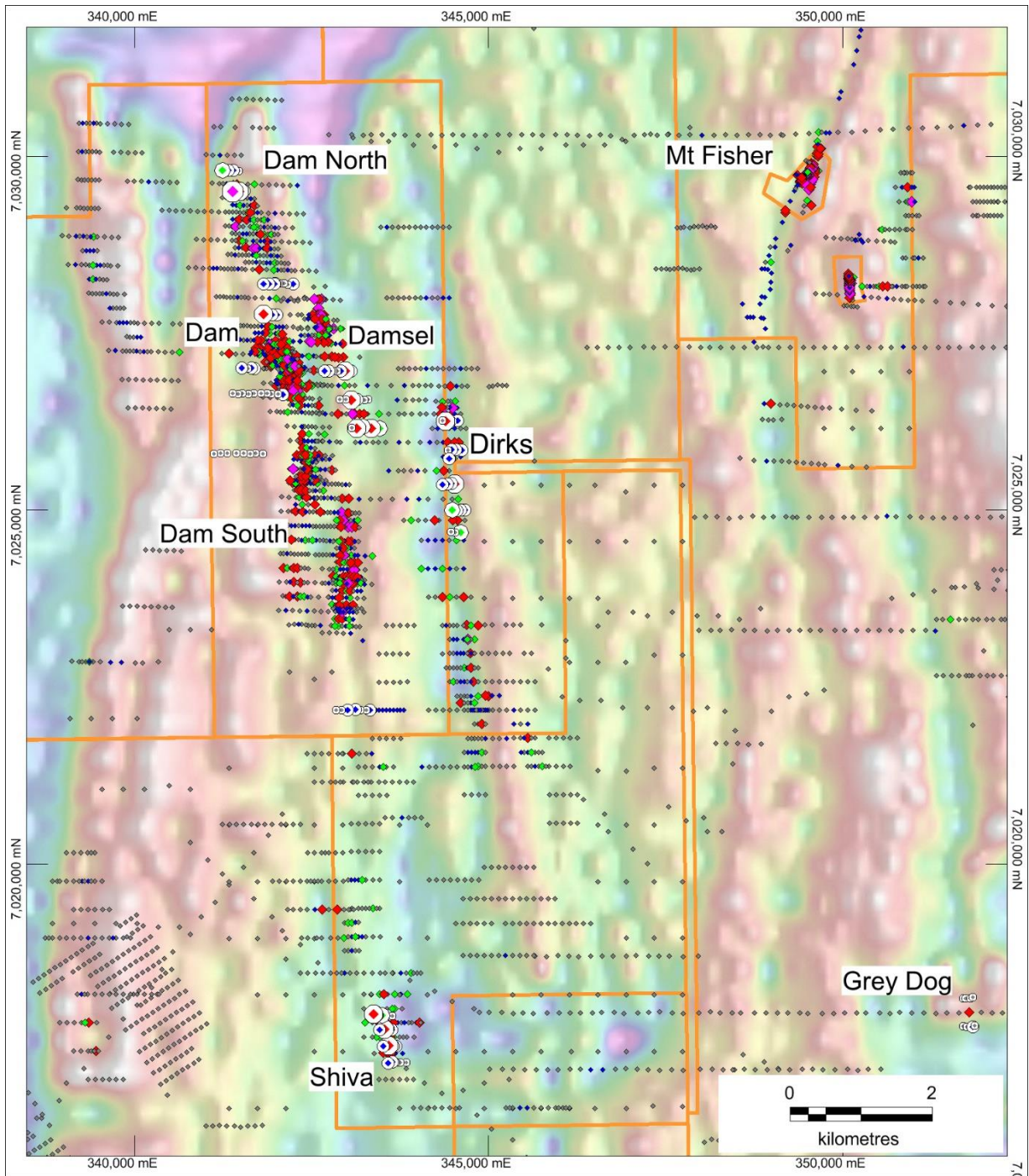


Figure 6: Aircore Drilling Results from Mt Fisher

About Rox Resources

Rox Resources Limited is an emerging Australian minerals exploration company. The company has a number of key assets at various levels of development with exposure to gold, nickel, copper and platinum group elements (PGE's), including the Mt Fisher Gold Project (WA), the Fisher East Nickel Project (WA), the Collurabbie Nickel-Copper-PGE Project (WA), and the Bonya Copper Project (NT).

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

The Mt Fisher 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 several nickel sulphide deposits. The total project area is 675km², consisting of a 600km² area 100% owned by Rox and an Option to purchase 100% of a further 75km² of nickel and gold prospective ground.

Discovery of, and drilling at the Camelwood, Cannonball and Musket nickel prospects has defined a JORC 2012 Mineral Resource (ASX:RXL 5 February 2016) of **2.0Mt grading 2.5% Ni** reported at 1.5% Ni cut-off (Indicated Mineral Resource: 1.9Mt grading 2.5% Ni, Inferred Mineral Resource: 0.1Mt grading 2.3% Ni) comprising massive and disseminated nickel sulphide mineralisation, and containing **50,600 tonnes of nickel**. Higher grade mineralisation is present in all deposits (refer to ASX announcement above), and is still open at depth beneath each deposit. Additional nickel sulphide deposits continue to be discovered (e.g. Sabre) and these will add to the resource base. Exploration is continuing to define further zones of potential nickel sulphide mineralisation.

Drilling by Rox has also defined numerous high-grade gold targets and a JORC 2004 Measured, Indicated and Inferred Mineral Resource (ASX:RXL 10 February 2012) of **973,000 tonnes grading 2.75 g/t Au** reported at a 0.8 g/tAu cut-off exists 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) aggregated over the Damsel, Moray Reef and Mt Fisher deposits.

Collurabbie Gold-Nickel Project (100%)

The Collurabbie project is located in the highly prospective North Eastern Goldfields region of Western Australia and is prospective for gold and nickel. The project area of 123km² hosts the Olympia nickel sulphide deposit and a number of other prospects for nickel sulphide mineralisation. A JORC 2012 Inferred Mineral Resource of **573,000t grading 1.63% Ni, 1.19% Cu, 0.082% Co, 1.49g/t Pd, 0.85g/t Pt** has been defined at Olympia. The style of nickel sulphide mineralisation is different to that at Fisher East, with a significant copper and PGE component at Collurabbie, and has been compared to the Raglan nickel deposits in Canada (>1Mt contained nickel).

In addition there is potential for gold mineralisation, with several strong drilling intersections including **2m @ 2.4g/t Au** from the Naxos prospect.

Bonya Copper Project (51%)

Rox (51%) is exploring the Bonya Copper Project located 350km east of Alice Springs, Northern Territory, in joint venture with Arafura Resources Limited (49%) (ASX:ARU). Outcrops of visible copper grading up to 34% Cu and 27 g/t Ag are present, with the style of mineralisation similar to the adjacent Jervois copper deposits (see ASX:KGL). Drill testing has intersected visible copper mineralisation at three prospects, with massive copper sulphides intersected at the Bonya Mine prospect, including **38m @ 4.4% Cu and 11m @ 4.4% Cu** (ASX:RXL 20 October 2014, 5 November 2014, 1 December 2014).

Under the Farm-in Agreement Rox has earned a 51% interest in the copper, lead, zinc, silver, gold, bismuth and PGE mineral rights at Bonya, and a joint venture between Rox (51%) and Arafura (49%) is now in operation.

Competent Person Statements:

Exploration Results

The information in this report that relates to previous Exploration Results, was either prepared and first disclosed under the JORC Code 2004 or under the JORC Code 2012, and has been properly and extensively cross-referenced in the text to the date of original announcement to ASX. In the case of the 2004 JORC Code Exploration Results and Mineral Resources, they have not been updated to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

Resource Statements

The information in this report that relates to nickel Mineral Resources for the Collurabbie project was reported to the ASX on 18 August 2017 (JORC 2012). Rox confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 18 August 2017, and that all material assumptions and technical parameters underpinning the estimates in the announcement of 18 August 2017 continue to apply and have not materially changed.

The information in this report that relates to nickel Mineral Resources for the Fisher East project was reported to the ASX on 5 February 2016 (JORC 2012). Rox confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 5 February 2016, and that all material assumptions and technical parameters underpinning the estimates in the announcement of 5 February 2016 continue to apply and have not materially changed.

The information in this report that relates to gold Mineral Resources for the Mt Fisher project was reported to the ASX on 10 February 2012 (JORC 2004). Rox confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 10 February 2012, and that all material assumptions and technical parameters underpinning the estimates in the announcement of 10 February 2012 continue to apply and have not materially changed.