

ASX: RXL



Cashed Up Explorer - Strategically Acquiring

RIU
Explorers
Conference

22 February 2018

Ian Mulholland - Managing Director



Who is Rox?



- An **awarded** Australian exploration company
- Strong **Financial** Position: Cash of ~\$12 million* & receivables of ~\$4 million*, no debt
- High grade JORC Mineral Resources of **Nickel** and **Gold** in Australia
- Long term committed management and directors, with “skin in the game”



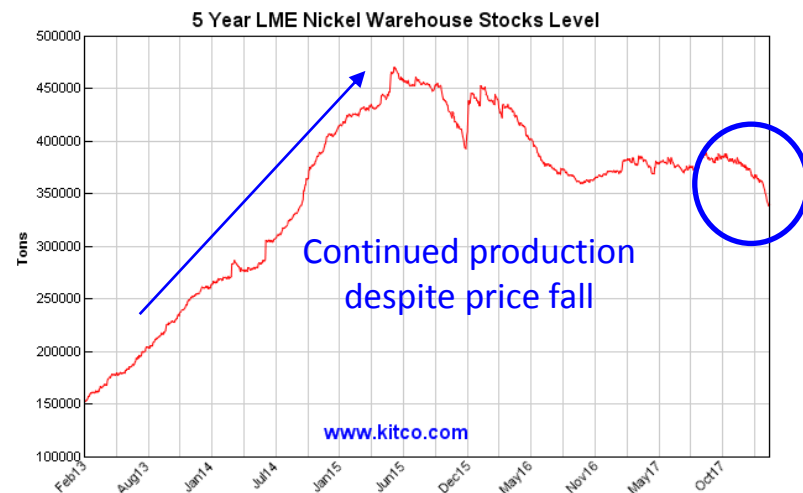
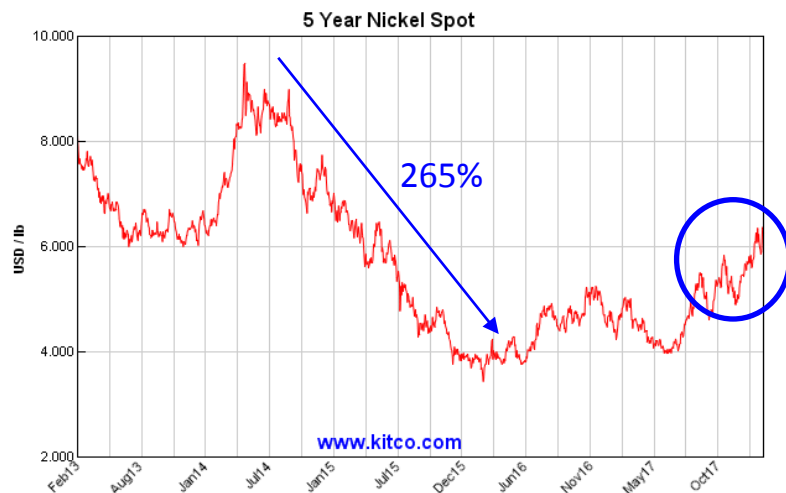
* \$12.2 million as of 31 December 2017, \$3.75 million due from Teck by 15 February 2023 from Reward project sale

Nickel Price Outlook

- ◆ *High-grade **nickel sulphide** is actually the **most important** metal in a lithium-ion battery at the cathode, followed by graphite as the anode, with lithium "like the salt on the salad", according to Tesla's Elon Musk*
- ◆ *"The reality is the supply of lithium is nowhere near as constrained as copper or nickel", Todd Warren, Colonial First Mutual, Head of Global Resources*

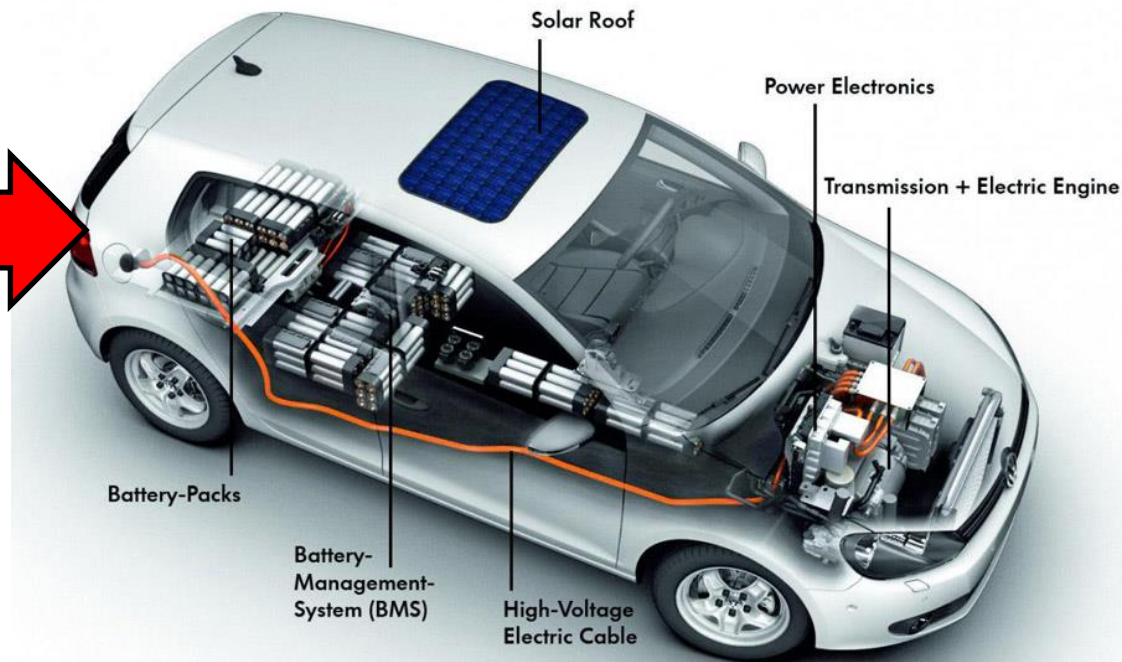


Nickel Market - Dichotomy



- There are two types of nickel – Class 1 (99.9% pure) and Class 2 (impure – used for NPI)
- Nickel market is about 2 Mtpa, split 50/50 into Class 1 and 2
- Class 1 comes from sulphide ores and processed laterite ores – suitable for batteries
- Current LME Stockpiles are ~350,000t (9 weeks) of Class 1 Ni – but now starting to fall

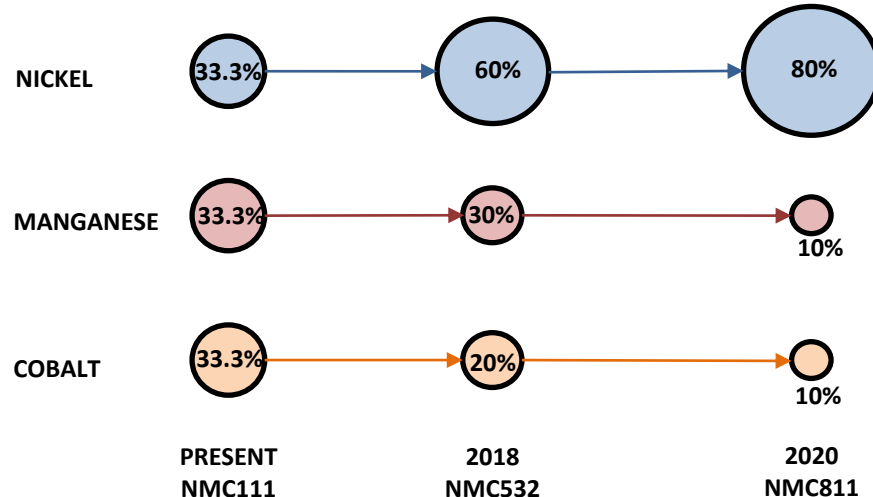
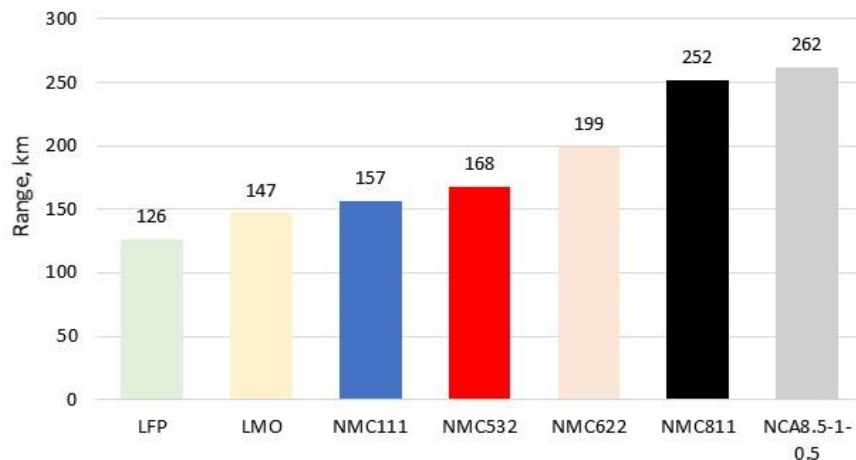
The Battery Revolution



- Internal Combustion Engine (ICE) has 2,000 moving parts vs. EV = 18
- ICE 19% efficient energy conversion, EV = 95%

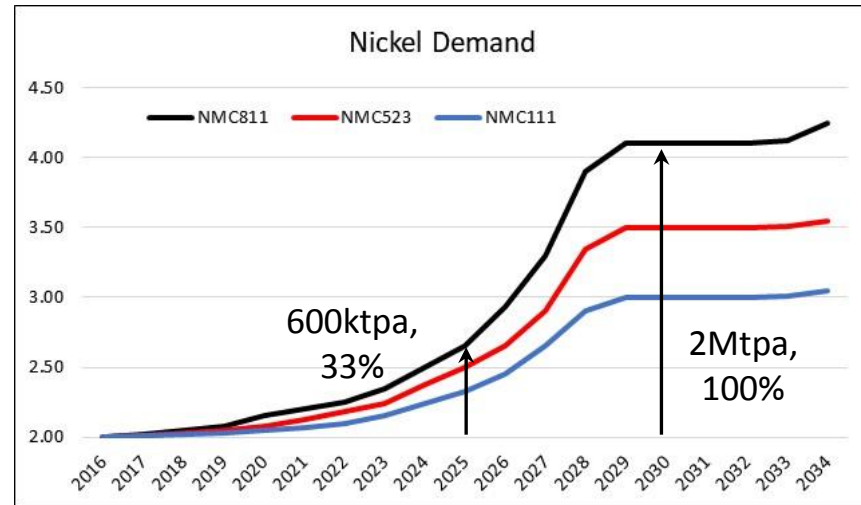
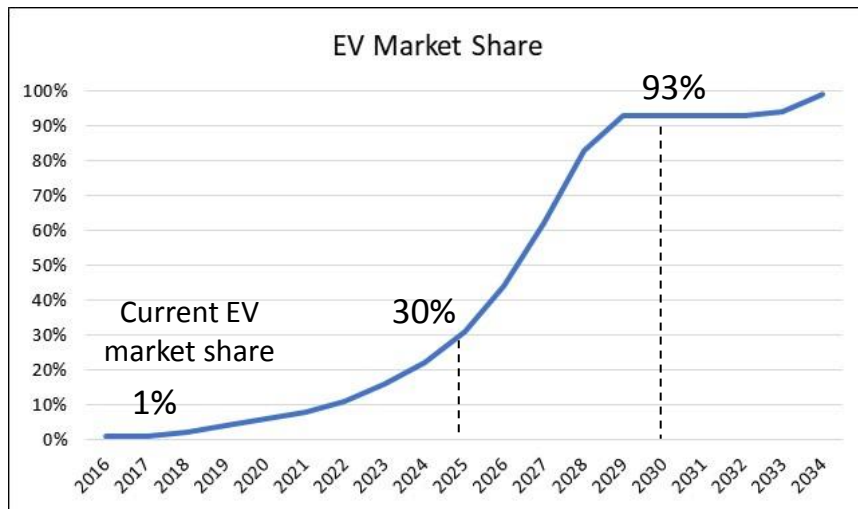
EV Batteries

EV Battery Range, km



- The move from NMC111 to NMC811 battery will increase range by 60%
- NMC811 re-charges to 80% in 20 minutes
- Further improvements are mooted to give 500km range

EV Vehicle Take-up



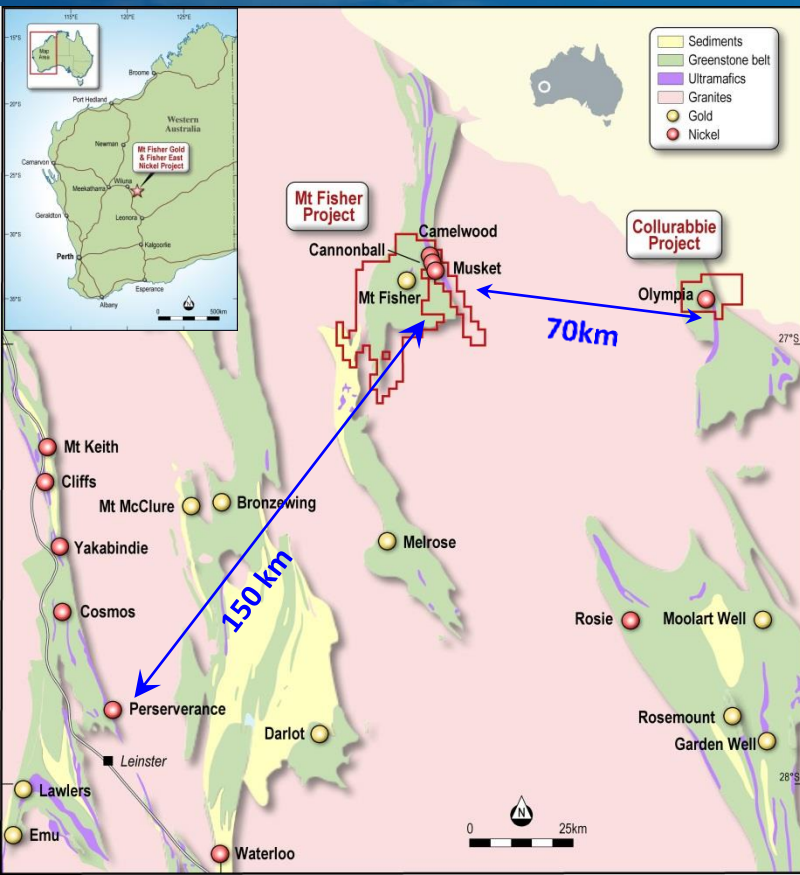
- If conversion to NMC811 battery takes place, then Ni demand will increase faster to 33% (600kt) by 2025 (8 years), and 100% (2Mt) by 2030. **There simply isn't this supply of nickel.**
- The growth from 2025 to 2030 will be rapid. Typically we under-estimate the speed of technological disruptions
- The move to the EV is obvious, manufacturers are now phasing out ICE cars

Nickel Production Impetus

- ❖ Class 1 nickel supply will be in deficit going forward
- ❖ Increase in demand by 2025 from switch to EVs will be 300 – 600 ktpa, triggering a shortage
- ❖ By 2030, will need 1 -2 Mtpa more Class 1 Ni
- ❖ Where will this production come from?
- ❖ Takes 6-8 years to bring a new nickel sulphide mine on stream – projects that are advanced will have the advantage
- ❖ Will need a much higher Ni price to make this happen (>US\$20,000/t) – predicted by 2020



Nickel Projects



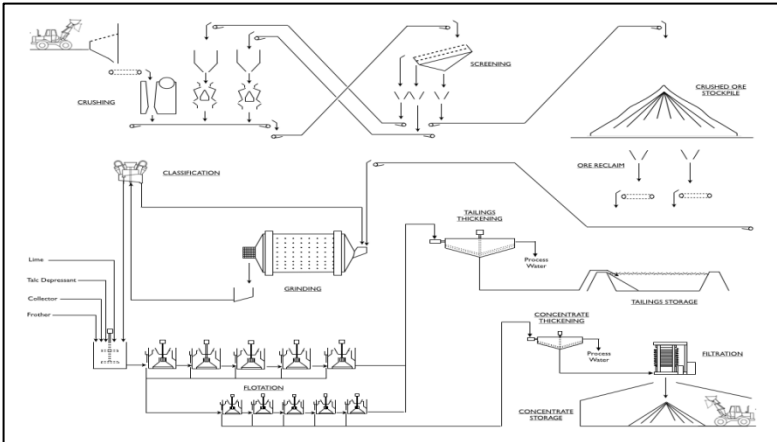
- Two nickel sulphide projects in WA's northern goldfields
- Fisher East is a new nickel province – discovered in 2013 by Rox
- Collurabbie discovered in 2004 by WMC – but relatively unexplored
- Fisher East and Collurabbie are just 70km apart – project development synergies
- High grade Mineral Resources* of **~50,600 tonnes Ni metal @ 2.5% Ni** at Fisher East and **~13,500 tonnes NiEq @ 2.3%** at Collurabbie

* See Appendix for Mineral Resource details

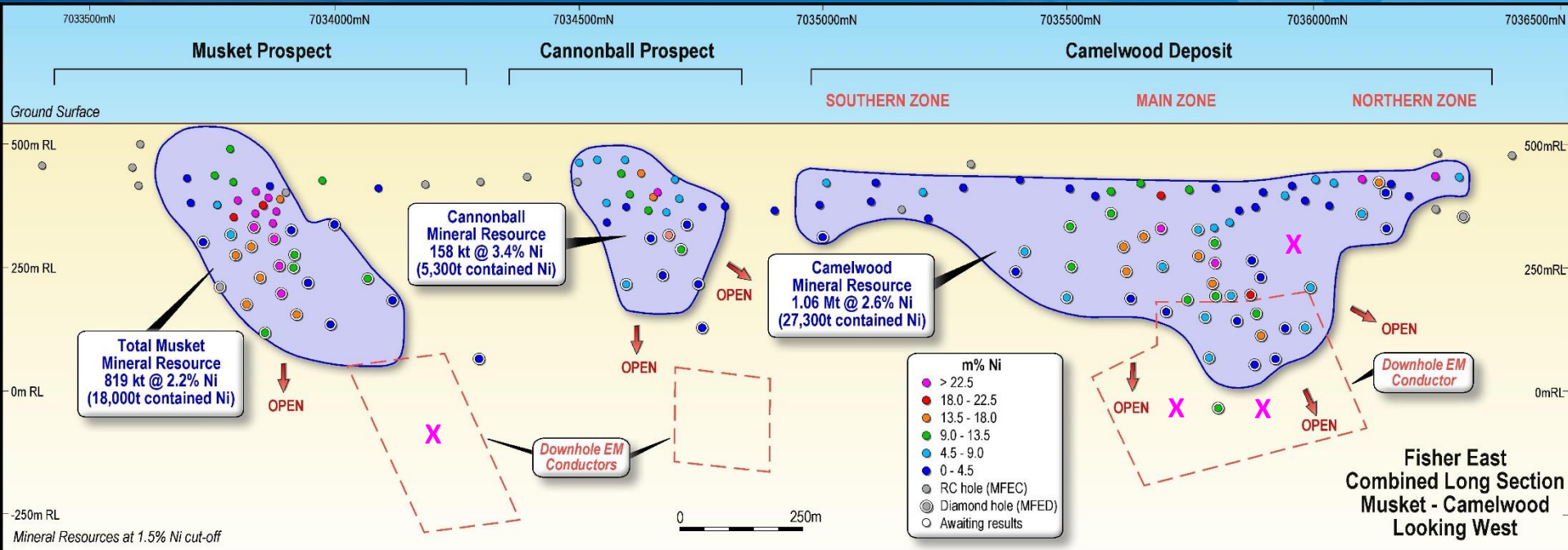
Development Studies



- **Low technical risk project:**
 - Toll milling – truck ore to nearby plant (two plants within 200km)
 - Build a plant on site – truck concentrate for sale
- Decline to underground mine ~70-100m depth
- Standard underground mining techniques and costs
- Simple process flow sheet and logistics
- Metallurgical recoveries, 80 – 99%, and saleable concentrate grades, 10 - 14% Ni, acceptable Fe:MgO ratios, low As (no penalties)
- Straight forward project dependent on nickel price
- Increased resources will increase mine life and project value



Fisher East Nickel

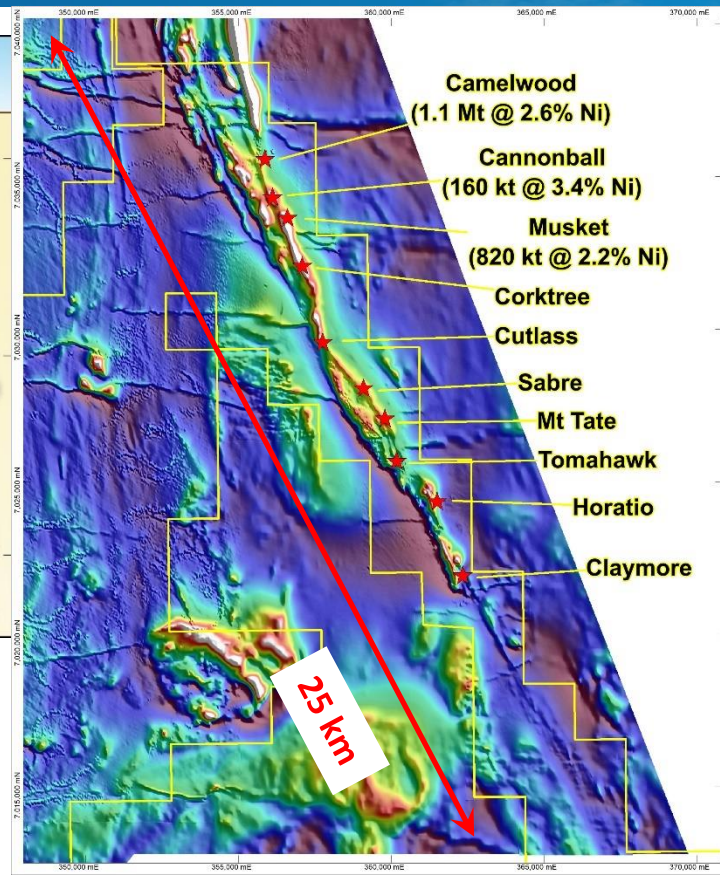
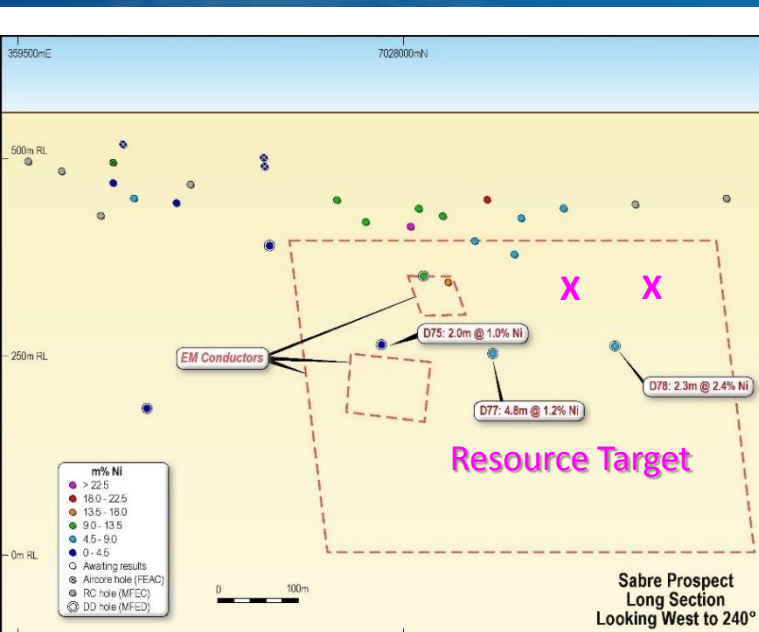


➤ Total Mineral Resource* of **2.0 Mt @ 2.5% Ni**, for **50,000 tonnes Ni metal**

➤ Drilling planned to increase resources/make new discoveries

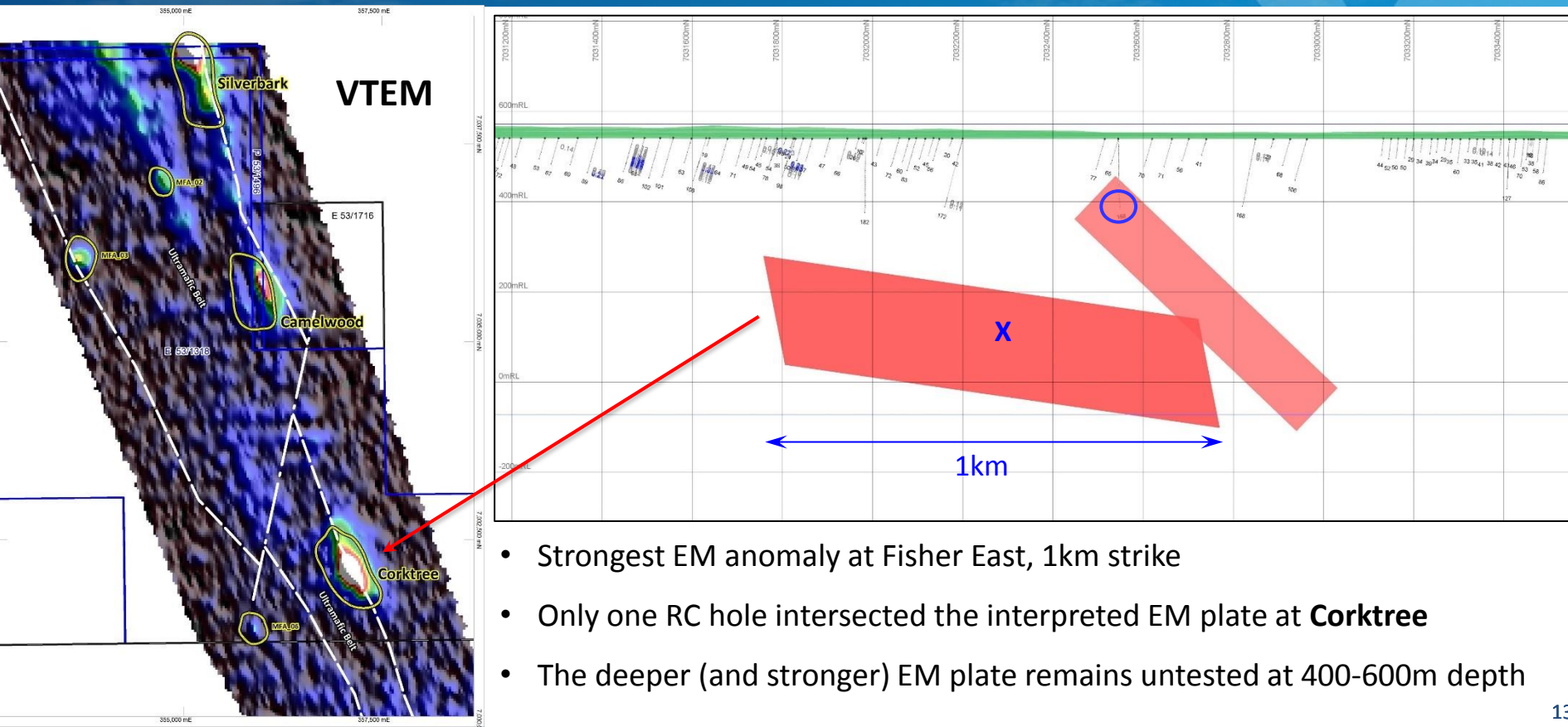
* See Appendix for Mineral Resource details

Exploration Targets



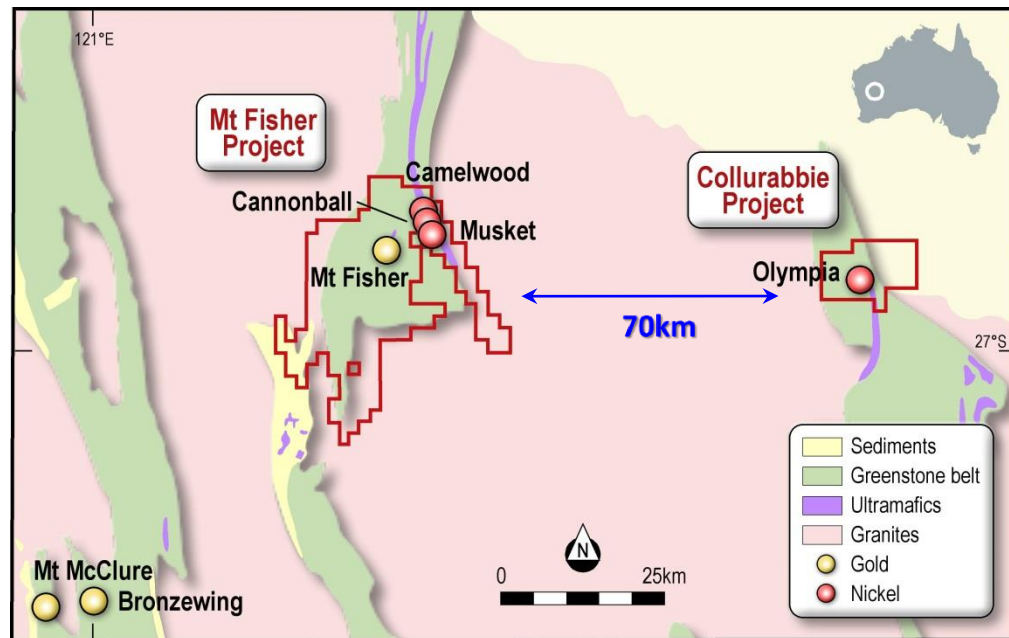
- Exploration ongoing on several targets along 25km of strike
- Resource to be drilled out at **Sabre**
- Fresh sulphides in aircore at **Mt Tate** to follow up
- Exceptional EM target at **Corktree**

Corktree Target



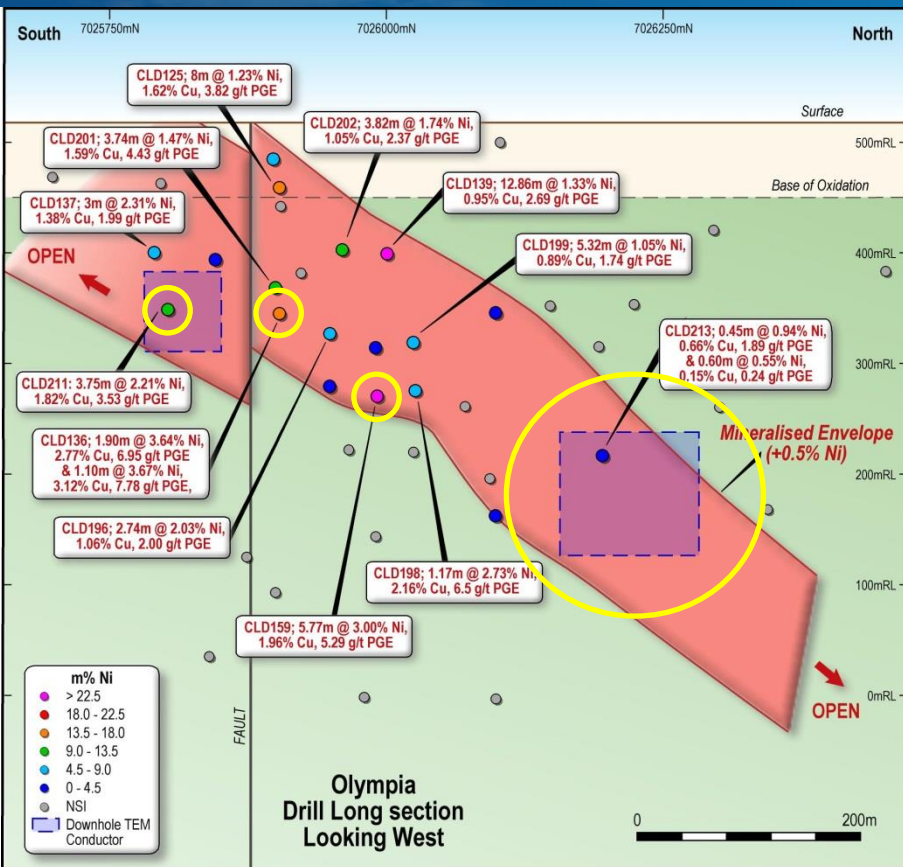
Collurabbie Acquisition

- 123km² of prospective tenure
- Main discovery at Olympia deposit
- Widespread Ni-Cu-PGE mineralisation** over ~15km strike length on multiple stratigraphic horizons
- Underdone previous exploration**
- Extensive and quality datasets of drilling and geophysics
- Drill targets for Ni-Cu-PGE and Au
- Cheap* quality counter-cyclical acquisition



* \$25,000 cash + 7.5 million RXL shares (~\$150K)

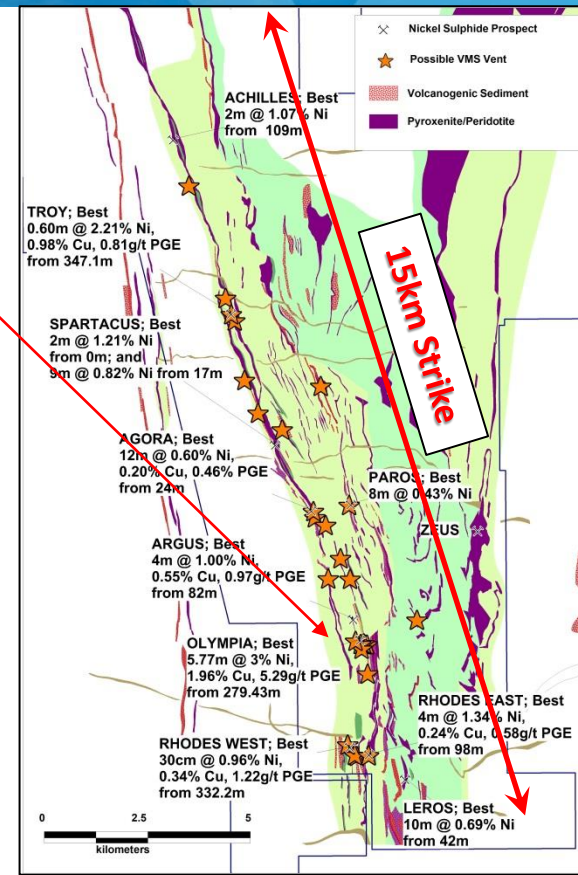
Exploration Potential



🌐 **Olympia Mineral Resource of 573,000 tonnes @ 1.6% Ni, 1.2% Cu, 0.08% Co and 2.3 g/t Pt+Pd, 2.3% NiEq***

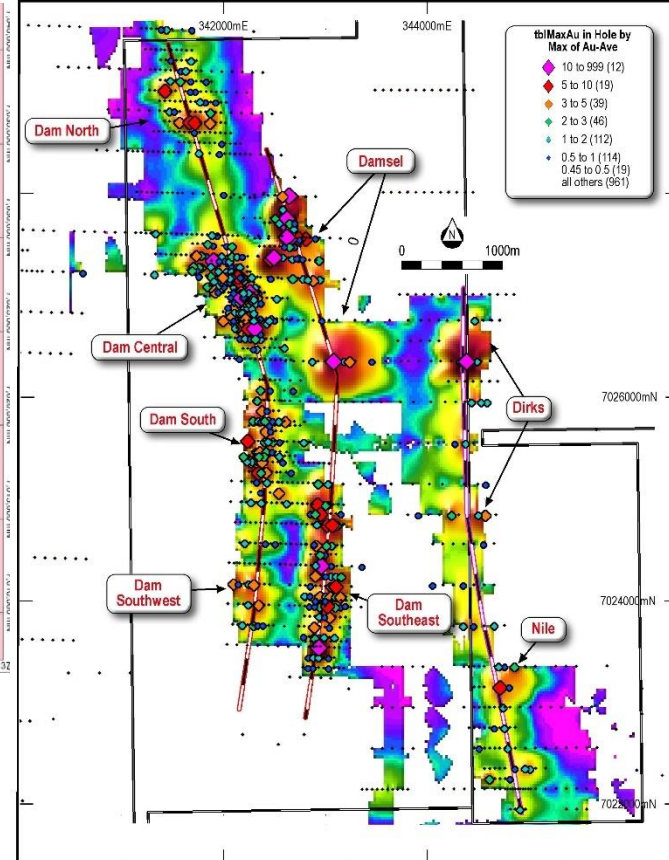
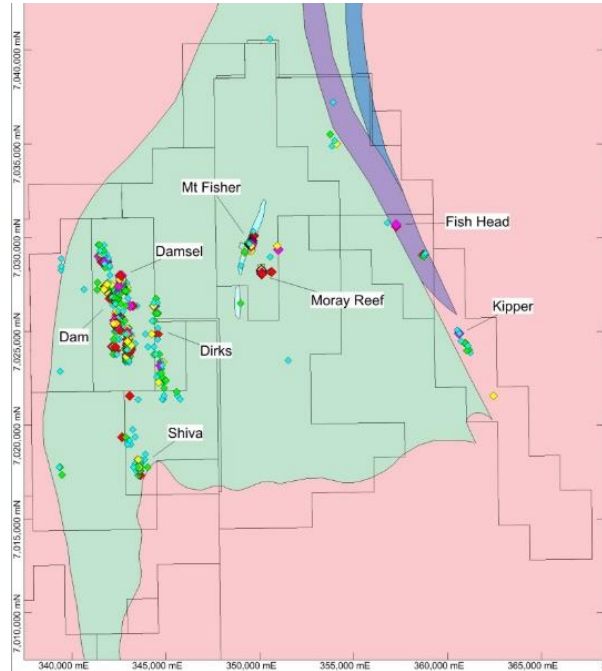
- 🌐 High grade drill intercepts
- 🌐 Open at depth
- 🌐 Exploration potential over 15km of strike
- 🌐 Aircore drilling planned

* See ASX:RXL 18 August 2017 for resource details



Attractive Gold Potential

- JORC Mineral Resource of **86,000 oz* @ 2.75 g/t Au**
- Large scale gold-in-regolith anomaly along complex western shear zone (Damsel-Dam-Shiva) – 10km long
- Targeting >500,000 ozs
- Gold plants within 130km (Bronzewing, Darlot)
- 3,600m of RC drilling planned

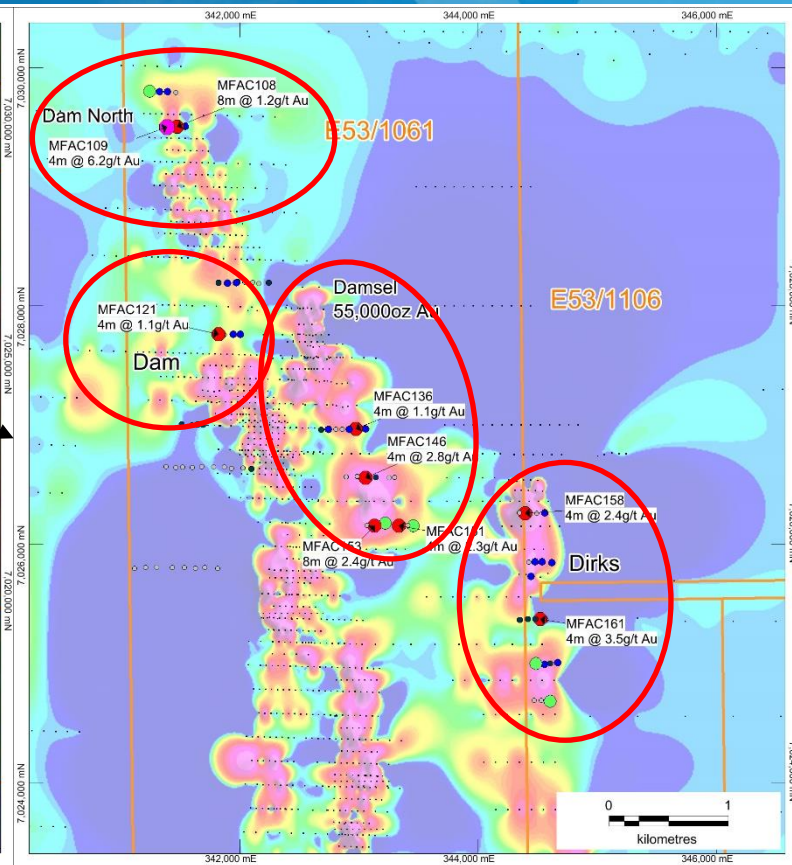
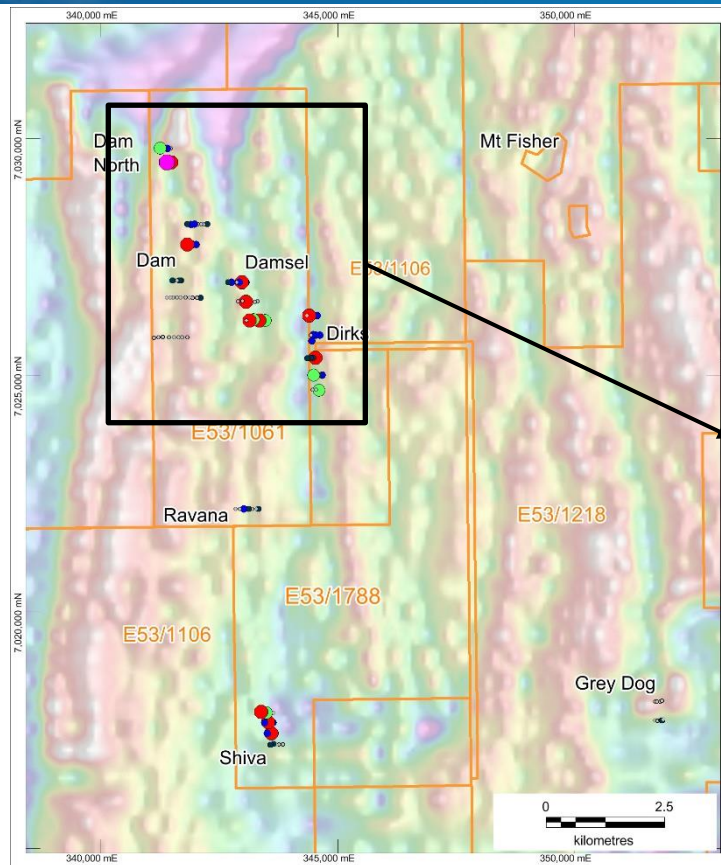


* See Appendix for Mineral Resource details

Exceptional Recent Results

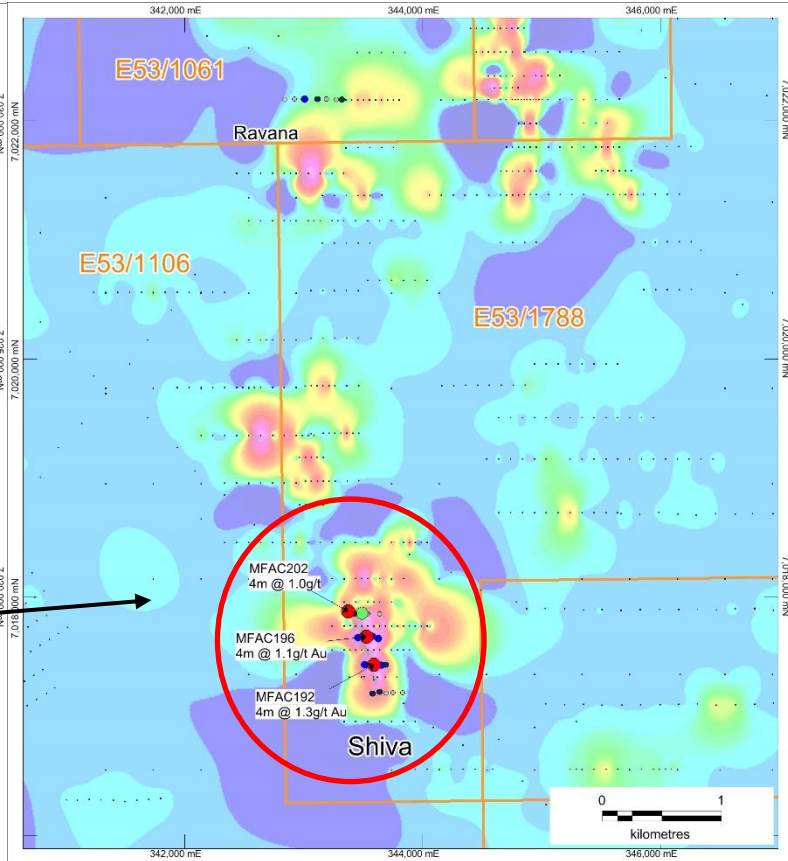
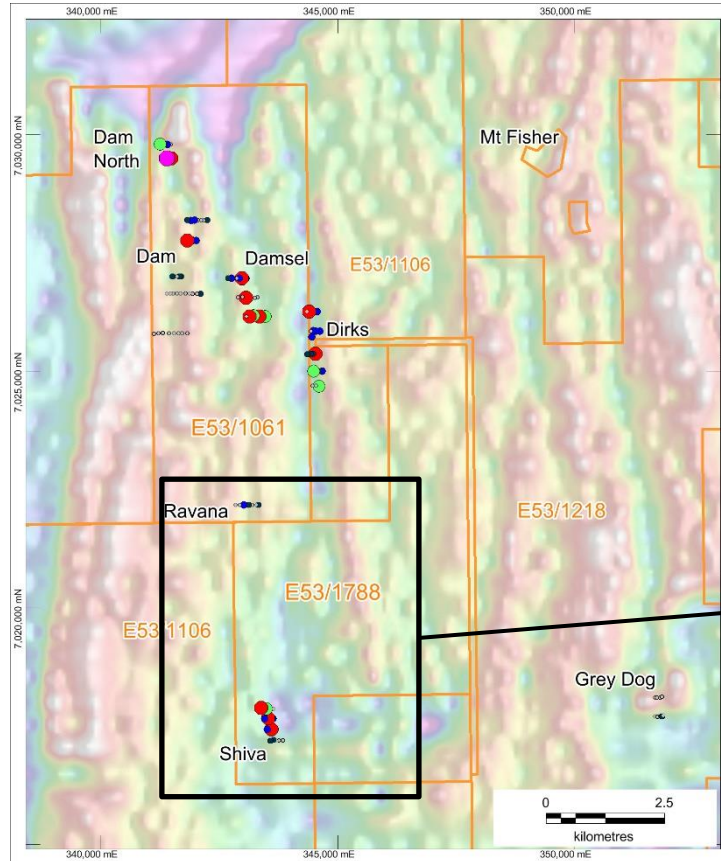


- 300m anomaly at Dam North
4m @ 6.2 g/t Au
- 200m extension at Dam
- 800m extension to Damsel
4m @ 2.8 g/t Au
- Filled in Dirks over 1km
4m @ 3.5 g/t Au
- RC drilling to define resources planned



More Recent Results

- At Shiva, strong continuous gold anomaly > 1 g/t Au over 500m
- 4m @ 1.3 g/t Au**
- RC drilling to define resources planned



Project Search



- Focus on identifying and acquiring Gold, Silver, Copper or Zinc project/s with near-term commercialisation potential
- Australia preferred, but also any jurisdiction with security and continuity of title
- Advanced exploration (i.e. mineral resource) through to feasibility/production stage (not grass roots)
- Aim is to acquire a project/s which will deliver high value to the company and its shareholders

Corporate Information



Key Information

ASX Code: RXL

Share Price: A\$0.015

Shares: 1,259M

Unlisted Options: 83.8M

Market Cap: \$18.9M

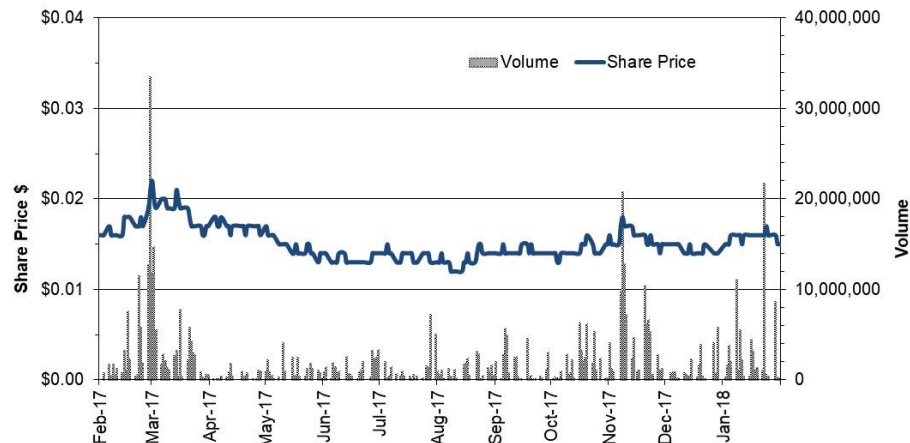
Cash (at 31 Dec 2017): \$12.2M

EV: \$6.7M

Top 20: 22%

Cash Backing of
\$0.01/share

Rox Share Price, Last 12 Months



Forward Strategy



- **Cashed Up**

- *\$12 million cash plus \$4 million in receivables*

- **Nickel**

Leverage for an improved price

Continue to explore and grow resources – drilling

Continually assess development options & opportunities

- **Gold**

Explore - drilling

Aim is to establish at least 500,000 ounce resource

- **New Projects**

Continued search to add shareholder value



Thank You

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Appendix – Mineral Resources



Fisher East Nickel, ASX:RXL 5 February 2016

Deposit	Category	Tonnes (Mt)	Ni%	Ni (kt)
Camelwood	Indicated	0.99	2.56	25.3
	Inferred	0.08	2.52	2.0
	Total	1.06	2.56	27.3
Cannonball	Indicated	0.15	3.43	5.1
	Inferred	0.01	2.41	0.2
	Total	0.16	3.38	5.3
Musket	Indicated	0.79	2.21	17.4
	Inferred	0.03	1.94	0.7
	Total	0.82	2.20	18.0
TOTAL	Indicated	1.92	2.49	47.8
	Inferred	0.12	2.35	2.9
	Total	2.04	2.48	50.6

Olympia Nickel-Copper-PGE, ASX:RXL 18 August 2017

Tonnes	Ni %	Cu %	Co ppm	Pd ppm	Pt ppm	NiEq %*	NiEq (kt)	Pd+Pt (oz)
573,000	1.63	1.19	820	1.49	0.85	2.36	13.5	42,971

*NiEq = (Ni grade x Ni price x Ni recovery + Cu grade x Cu price x Cu recovery) / (Ni price x Ni recovery)
 Where Ni price = US\$10,300/t, Ni recovery = 85% (assumed), Cu price = US\$6,322/t, Cu recovery = 85% (assumed)

Mt Fisher Gold, ASX:RXL 10 February 2012

Deposit	Category	Tonnes	Uncut		Cut		
			Grade (g/tAu)	Metal (Ozs)	Grade (g/tAu)	Metal (Ozs)	Value (g/tAu)
Moray Reef	Measured	25,700	10.84	8,957	7.96	6,577	80
	Indicated	4,900	6.09	959	5.95	937	80
	Inferred	1,200	3.87	149	3.87	149	80
	TOTAL	31,800	9.85	10,066	7.50	7,664	80
Mt Fisher	Measured	119,600	3.72	14,304	3.60	13,843	50
	Indicated	56,700	3.62	6,599	3.62	6,599	50
	Inferred	38,900	3.44	4,302	3.41	4,265	50
	TOTAL	215,200	3.64	25,206	3.57	24,707	50
Damsel	Measured	26,600	2.91	2,489	2.68	2,292	30
	Indicated	143,300	2.47	11,380	2.39	11,011	30
	Inferred	556,100	2.34	41,837	2.26	40,407	30
	TOTAL	726,000	2.39	55,705	2.30	53,710	30
TOTAL	Measured	171,900	4.66	25,750	4.11	22,712	
	Indicated	204,900	2.87	18,938	2.82	18,548	
	Inferred	596,200	2.41	46,288	2.34	44,821	
	TOTAL	973,000	2.91	90,976	2.75	86,080	

Fisher East: 1.5% Ni block cut-off grade. Values may not sum due to rounding. JORC 2012
 Mt Fisher: 0.8 g/tAu block cut-off grade. Values may not sum due to rounding. JORC 2004
 Olympia: 1.0% Ni block cut-off grade. Values may not sum due to rounding. JORC 2012

Disclaimers



Forward-Looking Statements

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Competent Person Statements

Resource Statements

The information in this report that relates to nickel Mineral Resources for the Olympia deposit 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.

Exploration Results

Exploration Results herein are based on information compiled and released to the ASX as follows:

Fisher East and Mt Fisher (ASX:RXL Between 1 April 2011 and the present)

Collurabbie (ASX:FCN 17 August 2004, 10 November 2004, 3 December 2004, 8 March 2005, 5 July 2010, and 8 July 2011, ASX:RXL 10 October 2017).

Bonya (ASX:RXL 20 October 2014, 5 November 2014, 1 December 2014).

In the case of the Exploration Results and Mineral Resources reported under the 2004 JORC Code, 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.