

ASX ANNOUNCEMENT

RRL1616D

24 June 2019

Settlement of Youanmi Transaction - Drilling to Commence Imminently

Highlights:

- **Rox settles the Youanmi Gold Project transaction and takes over management of the Youanmi minesite as manager of the OYG Joint Venture.**
- **Drilling at Youanmi and Regional JV's to commence imminently**
- **Enhances Rox's portfolio of advanced gold and nickel projects**

Australian gold and nickel company, Rox Resources Limited ("Rox" or "the Company") (ASX: RXL), is pleased to advise that completion of a series of transactions relating to the Youanmi Gold Project has occurred.

Four separate joint ventures are now established between Rox and Venus Metals Corporation (ASX : VMC) (see ASX announcement 10 April 2019 and Figure 1) as follows:

1. OYG Joint Venture
2. Venus Joint Venture
3. Youanmi Joint Venture
4. Currans Find & Pincher Joint Venture

Rox regards the Youanmi Gold Project as an important addition to its portfolio - providing advanced exploration and early stage development projects to its current asset base.

The Company is planning to undertake drill programs in the vicinity of the Youanmi mine (as part of its OYG Joint Venture commitment) in the near future.

These drill programs are designed to target the extension of known oxide gold mineralisation to build the current gold in resource inventory from **12.4Mt at 2.97g/t Au for 1,190,600 ounces of gold (see ASX announcement 17 April 2019).**

ROX RESOURCES LIMITED

ASX: RXL

Rox Resources Limited (ASX: RXL) is an Australian listed company with advanced gold and nickel projects in Western Australia: the Youanmi Gold Project, Mt Fisher Gold project, and the Fisher East and Collurabbie Nickel projects.

DIRECTORS

Mr Stephen Dennis
Chairman

Mr Alex Passmore
Managing Director

Mr Brett Dickson
Finance Director

Shares on Issue	1,259m
Share Price	\$0.014
Market Cap.	\$17.6m
Cash & Receivables	\$11.4m

(at 31/03/19, note: before completion)

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Known resources comprise both oxide / shallow mineralisation and the refractory Youanmi deeps ore body as detailed in Tables 1 and 2 below.

Table 1. Mineral Resource Estimate for Near Surface Deposits at Youanmi Gold Mine

Resource Classification	Cut-off (g/t Au)	Tonnes (Mt)	Au (g/t)	Contained Gold (oz)
Indicated	0.5	4.72	1.76	266,200
Inferred	0.5	5.36	1.55	266,500
Total	0.5	10.07	1.65	532,700

Table 2. Youanmi Deeps Mineral Resource Estimate

Resource Classification	Cut-off (g/t Au)	Tonnes (Mt)	Au (g/t)	Contained Gold (oz)
Indicated	4	0.808	8.1	210,200
Inferred	4	1.605	8.7	447,700
Total	4	2.413	8.5	657,900

Background on Joint Ventures and Transaction Completion

OYG Joint Venture

Rox has acquired its initial 50% interest (all minerals) in the OYG Joint Venture by providing funding of \$2.8 million which has been applied to the cash component of VMC's option exercise to acquire the OYG Tenements.

In addition, Rox has issued to VMC \$0.2 million in Rox scrip at a deemed price of \$0.008 (25m shares).

Rox is required to meet exploration expenditure of \$2 million over the following two years (to June 2021) and to cover the costs of holding and managing the project. At any point up until June 2021, after having met these expenditure obligations, Rox may elect to move to 70% ownership of the OYG Joint Venture via the payment of \$3 million (in cash and shares) to VMC.

Joint Venture costs are then to be contributed in proportion to ownership, although if VMC elects it can require Rox to fund its 30% of costs by way of a limited-recourse, non-interest bearing JV loan secured over VMC's interests in the OYG Joint Venture. Such a loan is repayable from proceeds of equity sell downs or asset sales (including gold produced) from the Joint Venture.

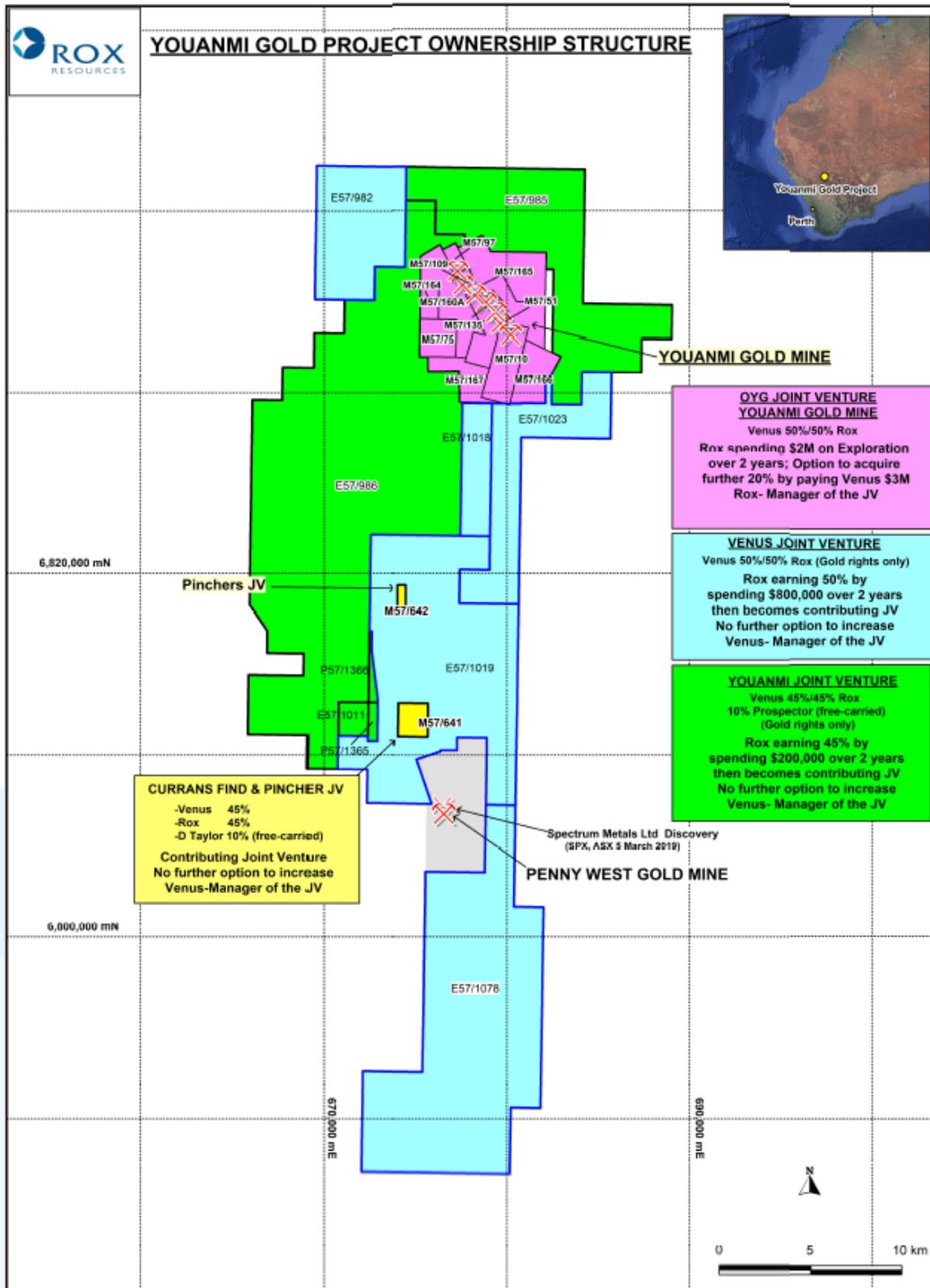


Figure 1 – Youanmi Joint Ventures



Figure 2 – Aerial view of the Youanmi line of lode

Table 3 - Evolution of OYG Joint Venture Equity

Ownership	50%	70%
Acquisition Cost	\$3.0m (\$2.8m cash, \$0.2m scrip)	Additional \$3m to VMC
Exploration Spend	\$2m	n/a
Timing	On OYG Completion (on or before 30 June 2019)	On or before 30 June 2021

Regional Exploration JV's

Rox to earn a 45% or 50% interest in the gold rights of the regional joint ventures via contributing the first \$1 million of exploration expenditure across the Venus Joint Venture and the Youanmi Joint Venture respectively. Following the earn-in the JVs are standard contribute or dilute arrangements. In addition, Rox together with Venus Metals, has entered into a binding agreement to acquire a joint 90% interest (45% each) in the Currans Find & Pincher Joint Venture (see ASX announcement 15 April 2019).

VMC is to be the manager of the regional JVs initially with Rox to take over management should it elect to move to 70% ownership of the OYG Joint Venture. It is envisaged both parties will retain their initial interests in the regional joint ventures with both contributing to exploration expenditure.

Table 4 - Evolution of Regional Joint Ventures Equity

Ownership	VMC JV - 50% of gold rights Youanmi JV – 45% of gold rights	<ul style="list-style-type: none"> - Rox becomes manager once OYG Joint Venture ownership moves to 70% - Standard contribute or dilute arrangements
Acquisition Cost	n/a	
Exploration Spend	\$1m	
Timing	12 – 18 months	

Near Surface Drill Targets – upcoming program

Several prospects present as priority drill targets with potential to identify additional near-surface oxide resources. Following extensive drill program planning the Company will be focussed on the following prospects among others:

Commonwealth - The undeveloped Commonwealth-Connemara deposits and mineralised trend is centred 4km northwest of the Youanmi Plant. Gold mineralisation is from surface and hosted within a 3m to 10m wide zone of sheared quartz-veining and highly altered mafic volcanic rocks.

Some of the intersections include:

Drill hole	96CNRC0026	20m @ 2.6 g/t Au from 11m
	88CRC0066	18m @ 12.9g/t Au from 39m
	85CRC0012	10m @ 9.2g/t Au from 8m

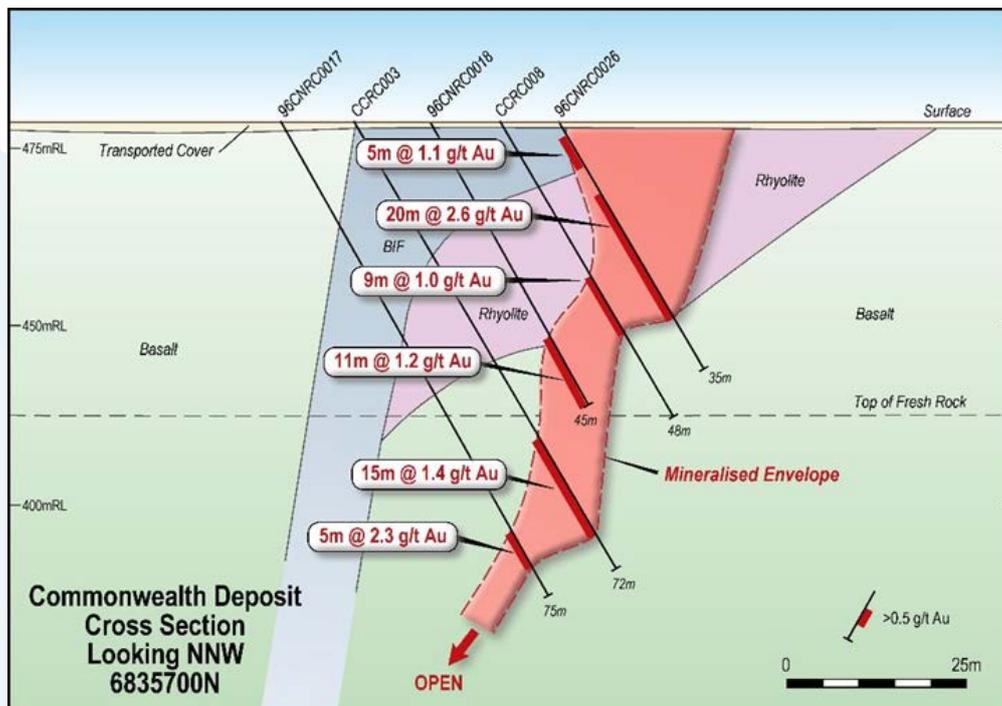


Figure 3 – Commonwealth Prospect Cross Section

Plant Zone - The Plant Zone is an undeveloped extensive resource comprising gold mineralisation and associated stockworks of quartz-veining within granite. The resource is open at depth and along strike. There is additional exploration potential for new zones of mineralisation surrounding the Plant Zone.

Drill hole	PP0033	59m @ 3.7 g/t Au from 1m
	5YMR0099	12m @ 4.7 g/t Au from 16m
	PR0250	20m @ 2.2g/t Au from 15m

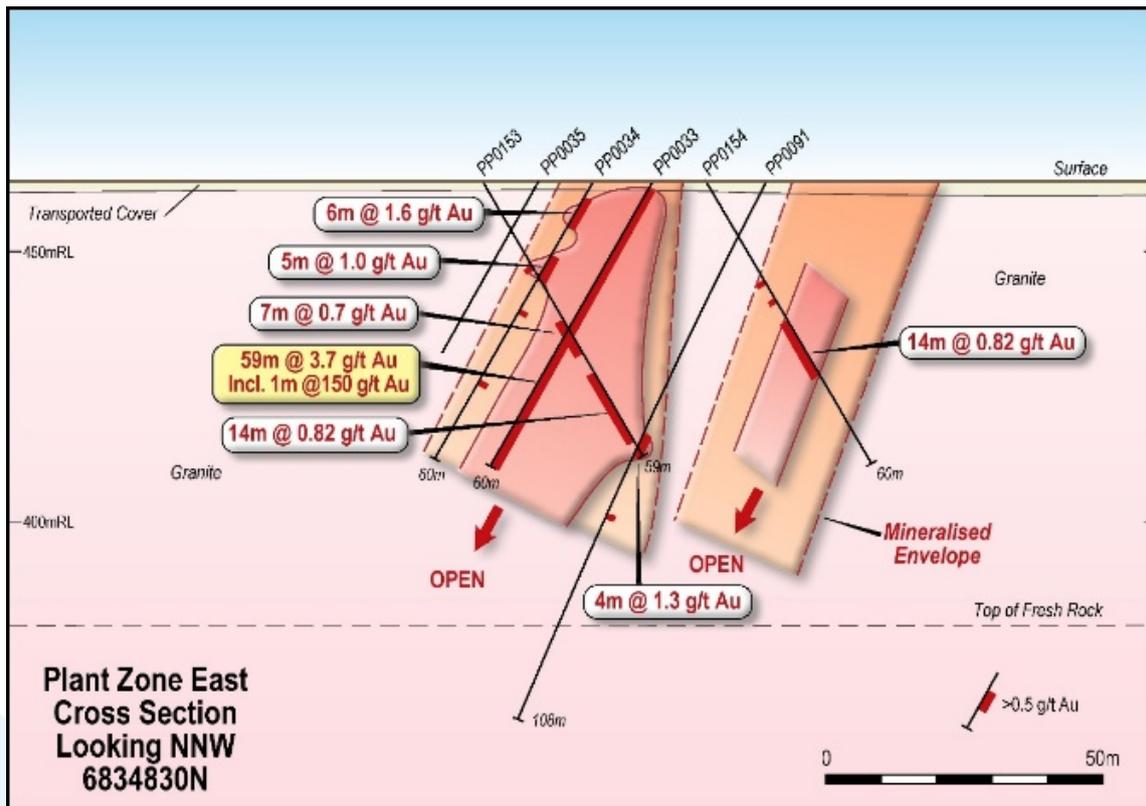


Figure 4 – Plant Zone Cross Section

ENDS

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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

Resource Statements

The information in this report that relates to gold Mineral Resources for the Mt Fisher project was reported to the ASX on 11 July 2018 (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 11 July 2018, and that all material assumptions and technical parameters underpinning the estimates in the announcement of 11 July 2018 continue to apply and have not materially changed.

The information in this report that relates to gold Mineral Resources for the Youanmi Project was reported to the ASX on 17 April 2019 (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 17 April 2019, and that all material assumptions and technical parameters underpinning the estimates in the announcement of 17 April 2019 continue to apply and have not materially changed.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Rox Resources Limited planned exploration program(s) and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward looking statements.

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). The 1.2Moz Youanmi Gold Project and the Fisher East Nickel Project (78kt Ni) being the most advanced projects with exploration ongoing at the Mt Fisher Gold Project and the Collurabbie Nickel-Copper-PGE Project.

Youanmi Gold Project (Youanmi Gold Mine 50% and option to increase to 70%, Regional JV's 50% earn-in)

The Youanmi Gold Mine is located 480 km to the northeast of Perth, Western Australia. The Youanmi Mining Centre has produced an estimated 667,000 oz of gold (at 5.47 g/t Au) since discovery in 1901 during three main periods: 1908 to 1921, 1937 to 1942, and 1987 to 1997.

The project is situated in the Youanmi Greenstone Belt, within the Southern Cross Province of the Archaean Yilgarn Craton in Western Australia. The structure of the Youanmi Project is dominated by the north-trending Youanmi Fault Zone. Most of the gold mineralisation seen at the project is hosted within north-northwest splays off the north-northeast trending Youanmi Fault.

Fisher East Nickel Project (100%)

The Fisher East nickel project is located in the North Eastern Goldfields region of Western Australia and hosts several nickel sulphide deposits. The total project area is ~350km².

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 4.2Mt grading 1.9% Ni reported at 1.0% Ni cut-off (Indicated Mineral Resource: 3.7Mt grading 1.9% Ni, Inferred Mineral Resource: 0.5Mt grading 1.5% Ni) comprising massive and disseminated nickel sulphide mineralisation, and containing 78,000 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.

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 (ASX: RXL 18 August 2017). 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.

Mt Fisher Gold Project (100%)

The Mt Fisher gold project is located in the North Eastern Goldfields region of Western Australia, adjacent to the Fisher East nickel project, and hosts several gold deposits. The total project area is ~220km².

Drilling by Rox has defined numerous high-grade gold targets and a JORC 2012 Measured, Indicated and Inferred Mineral Resource (ASX:RXL 11 July 2018) of 1.0 million tonnes grading 2.7 g/t Au reported at a 0.8 g/t Au cut-off exists for 89,000 ounces of gold (Measured: 170,000 tonnes grading 4.1 g/t Au, Indicated: 220,000 tonnes grading 2.7 g/t Au, Inferred: 630,000 tonnes grading 2.3 g/t Au) aggregated over the Damsel, Moray Reef and Mt Fisher deposits.