

31 JULY 2019

Quarterly Report

For the period ending 30 June 2019

Highlights

Settlement of Youanmi Gold Project Acquisition (JV with Venus Metals)

- During the quarter the Company completed the transaction to acquire, in joint venture with Venus Metals Corporation, the Youanmi Gold Project and surrounding tenements.
- The project has defined Mineral Resource Estimates totalling **12.4Mt at 2.97g/t Au for 1,190,600 ounces of gold¹** and has had little exploration completed since closure in 1997.
- The company has commenced its work programs as manager of the OYG Joint Venture (Youanmi mine area).

Currans Find Drilling Yields High Grades

- An initial 'first pass' drilling program completed during the quarter (managed by Rox's JV partner) yielded high grade results at Currans North. Best results included:
 - CFRC016 6m @ 9.82g/t Au from 36m
 - CFRC014 4m @ 5.72g/t Au from 60m
 - CFRC010 2m @ 5.25g/t Au from 48m
- Follow up drilling has also recently concluded with assay results pending. Interpretations and planning for further drilling are ongoing.

Mt Fisher Gold Project Drilling Successfully Extends Mineralisation

- Rox completed a significant drill program at the company's wholly owned Mt Fisher Gold Project during the quarter.
- The results of the program successfully extended known mineralisation at the Dam prospect.

Corporate

- Rox is well funded with \$7.8 million cash and receivables following the Youanmi acquisition related costs of circa \$3 million and exploration & other expenditure of \$0.9m during the quarter.

¹ Refer ASX 17 April 2019

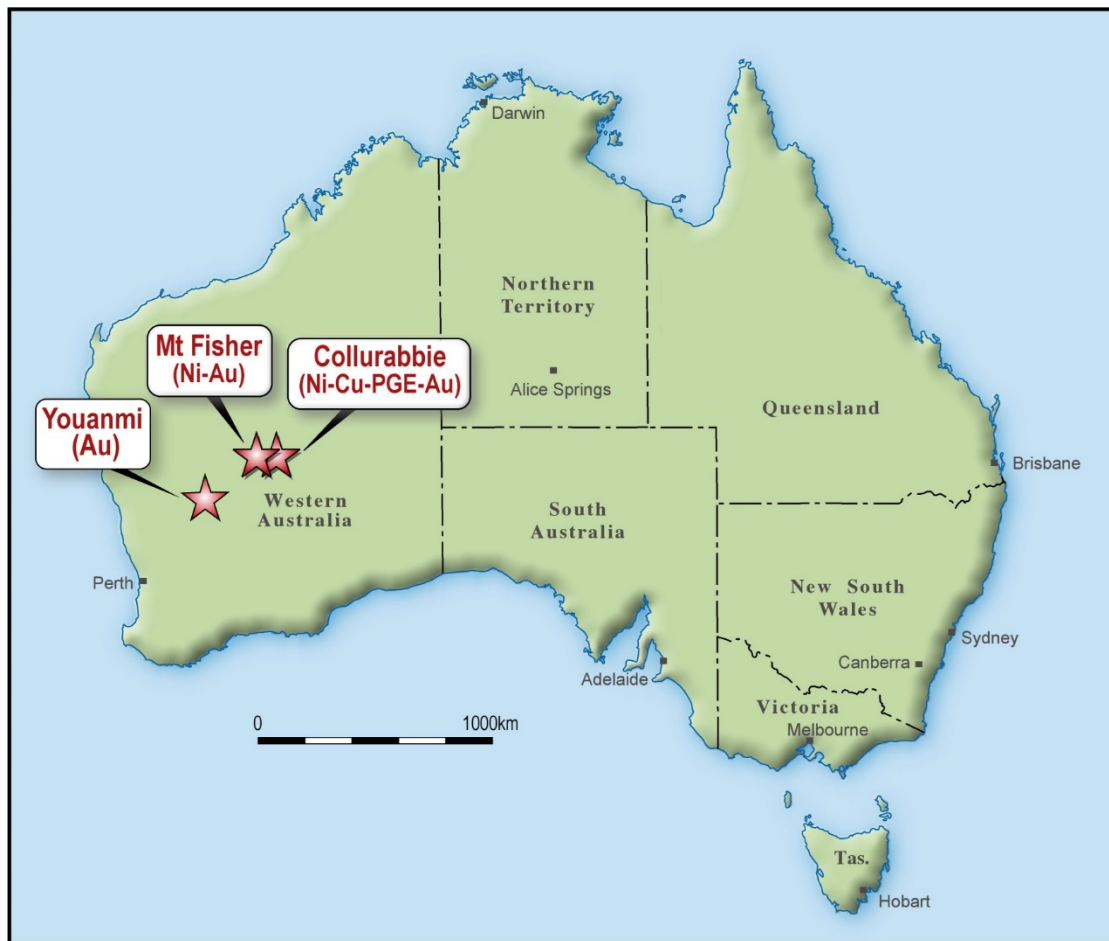


Figure 1: Rox Project Location Map

Youanmi Gold Project (50%)

On 10 April 2019 the Company announced the acquisition of the Youanmi Gold Project in joint venture with Venus Metals Corporation ("Venus") (ASX: VMC).

Following the meeting of all conditions precedent and legal document completion the transaction closed and settled on 21 June 2019 in line with previous guidance from the Company.

The Youanmi Gold Project is located 480 km to the northeast of Perth, Western Australia. The project is accessed by the sealed Great Northern Highway for a distance of 418 km from Perth to Paynes Find and then for 150 km by the unsealed Paynes Find to Sandstone Road.

The agreement and joint acquisition with Venus resulted in the formation of three joint ventures (refer Figure 2):

1. The OYG JV area covers 65km², is circa 10km x 7km wide, and surrounds the Youanmi Gold Mine and nearby extensions;
2. the VMC JV which covers 302km²; and
3. the Youanmi Joint Venture which covers 270km²

The regional JVs extend the length of tenure to 40km of strike along the Youanmi Shear Zone (Figure 2).

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. Most of the gold was produced from the Youanmi Mine with an estimated 96,000oz produced from Youangarra, Penny West, Columbia-Magenta, Currans and other minor prospects.

The current Resource Estimates at the Youanmi Gold Project is:

2.4Mt at 2.97g/t Au for 1,190,600 ounces of gold*

This comprises both Near Surface and Deeps as set out in Tables 1 and 2 below.

Table 1. Mineral Resource Estimate for the Near Surface Deposits: 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

*Refer ASX Release 17 April 2019



Photo taken from the air looking south east along Youanmi line of lode last mined in 1997. Process Plant in the distance.

Site Infrastructure

The site infrastructure includes a CIP process plant (requiring significant refurbishment) which was designed to treat 600,000tpa of oxide ore, a tailings disposal facility, mine offices, combined core shed and workshop, mine village, access roads and airstrip.

Sufficient power for the current 'care and maintenance' activities is supplied via a small generator. Potable water is sourced from a bore adjacent to the Bunker open pit. Process water is available from local aquifers and may be supplemented from abandoned open pits.

The mine village incorporates kitchen, mess, wet mess, common room, TV room, office, three self-contained houses for families, six houses (comprising 6 bedrooms and 2 bathrooms and a communal lounge), six concrete plinths for transportable cabins, six caravan bays, two communal laundries, gymnasium, squash court, combined tennis and basketball court, telephone communications and satellite.

Facilities at the village will ultimately require varying degrees of refurbishment to accommodate a full-time work force. However, for the purposes of exploration crews, the village is well equipped.

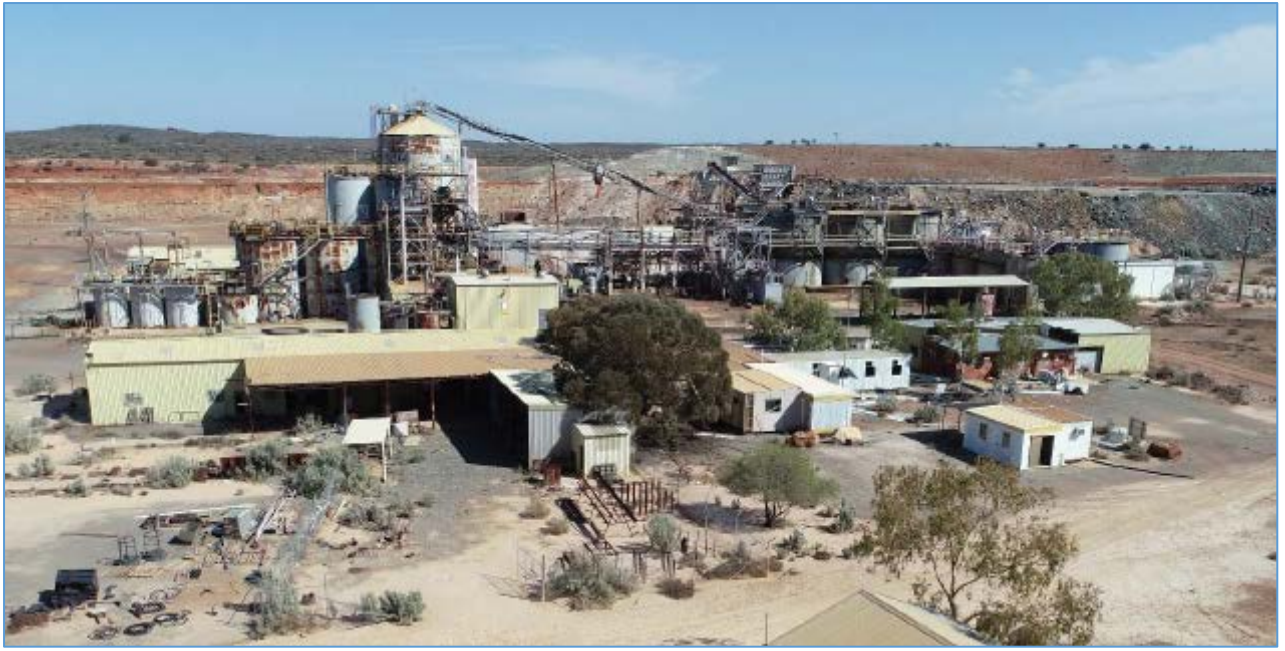


Photo looking west over the 600ktpa (design capacity) Process Plant (significant refurbishment required)

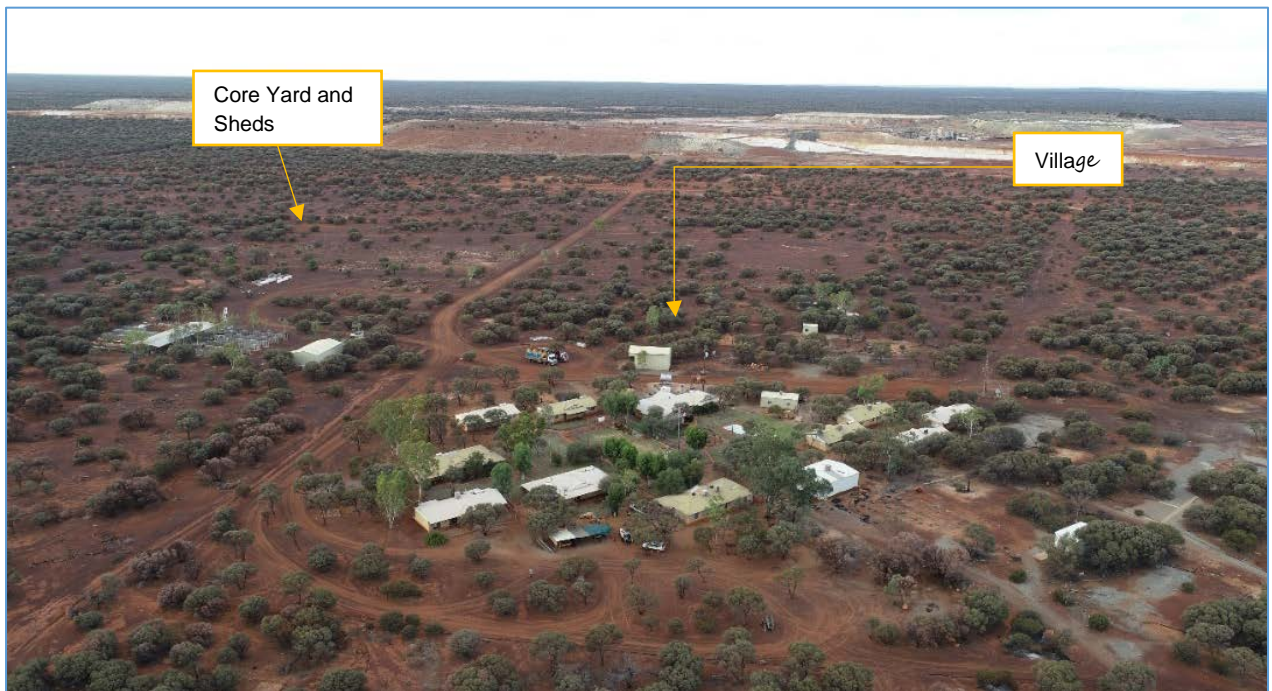


Photo looking east over village and core yard Main Pit and Process Plant in the background

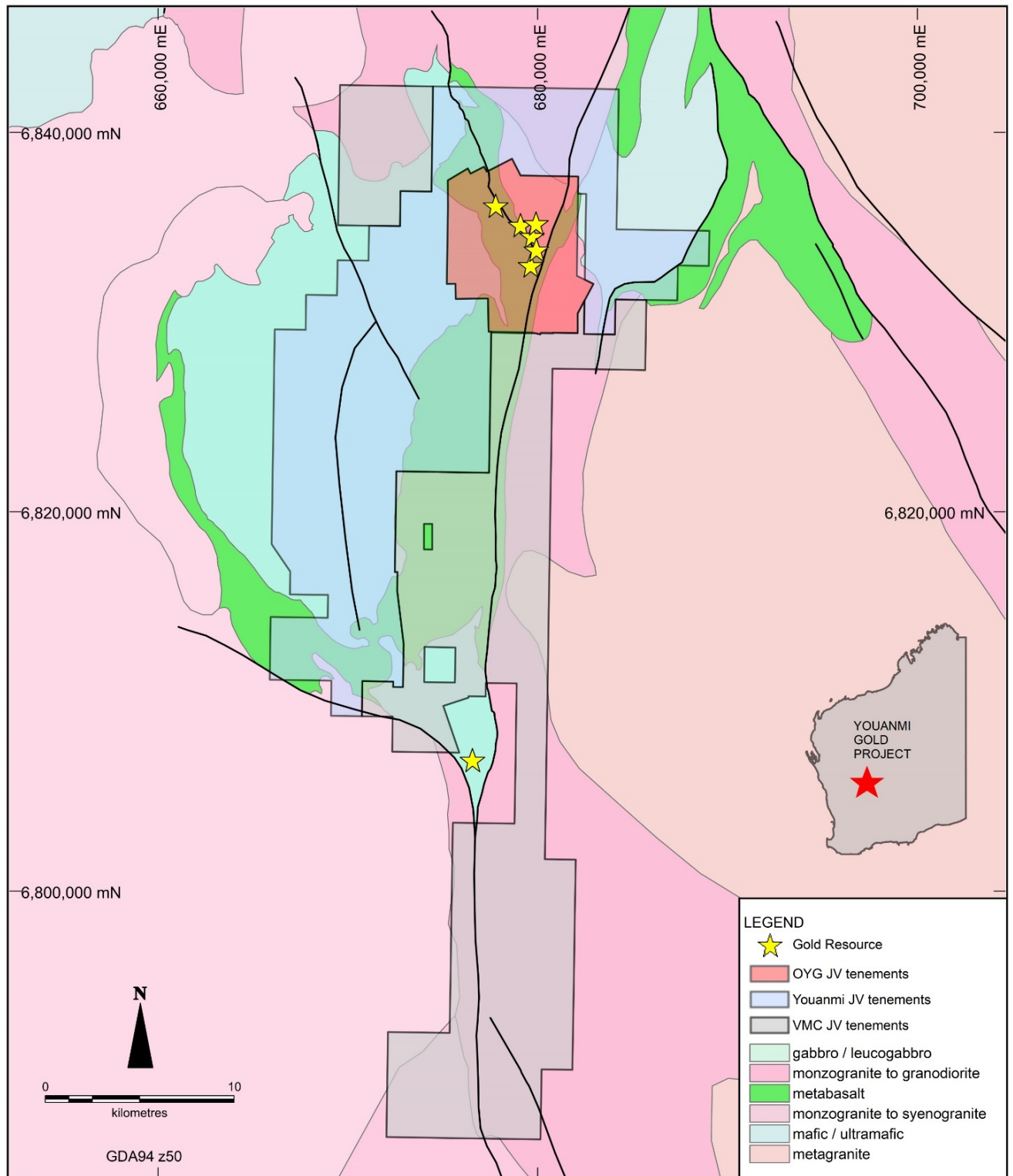


Figure 2 – Project Location and Regional Geology

Rox is actively managing the Youanmi gold mine area and camp while joint venture partner Venus is managing regional joint ventures.

Following completion of drilling at the Currans Find JV work will shortly commence at the Youanmi gold mine area (OYG Joint Venture). A more detailed announcement on this will be released in due course.

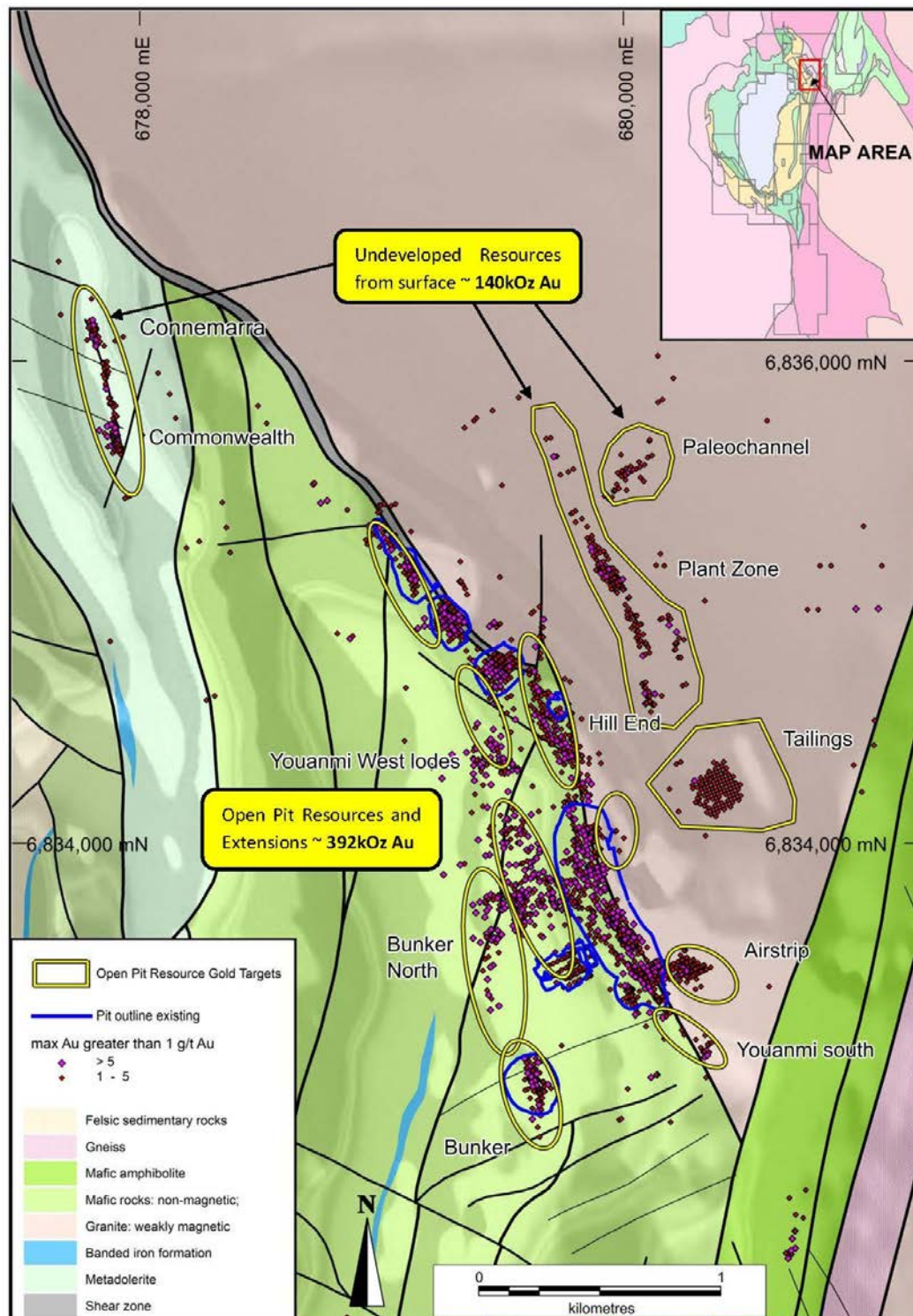


Figure 3: Youanmi Near Mine Resource Targets

Currans Find (45%)

During the quarter Rox and Venus together acquired a 90% interest in the high-grade historic Currans Find Gold Prospect located in the centre of the Youanmi Gold Project (ASX: 10 April 2019).

The 90% stake acquired is shared equally between Venus and Rox, with the remaining 10% held by the vendor. Venus will be the manager of the joint ventures until Rox elects to move to 70% ownership of the OYG Joint Venture covering the Youanmi Gold Mine.

The consideration for the acquisition comprised:

- Rox: \$75,000 cash and 7,500,000 RXL ordinary shares;
- Venus: \$75,000 and issued 450,000 VMC ordinary shares.

The Currans Find project area is located within the Youanmi Greenstone Belt and situated approximately 5 km north-northwest of the historical Penny West gold mine (Figure 3). High-grade gold mineralization is associated with quartz veins that generally plunge to the southwest and steeply dip to the southeast. The mineralization is hosted by mafic rocks (amphibolite), ultramafics (talc-tremolite schist) and diorite. Similar rocks are host to the gold mineralisation at Penny West.

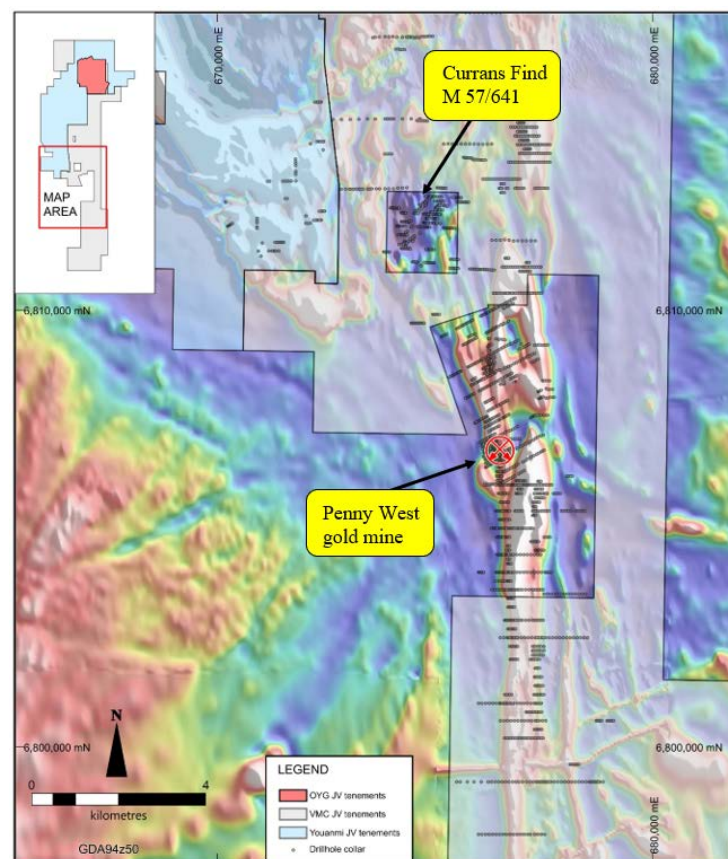


Figure 4 Gold Mineralisation and Demagnetised Horizons running NNW through the belt to Currans Find Prospect

During May, Venus completed an initial RC drilling program comprising 25 holes for a total of

1,208 m (refer ASX release 13 June 2019) targeted shallow high-grade gold mineralization beneath historical workings at the two main gold prospects 'Currans Find North' and 'Red White and Blue Workings' and their interpreted down-plunge extensions; it also included initial holes at the Taylor's Reef. Significant intersections from shallow RC drilling at Currans Find Project include:

Currans Find North

CFRC016 6m @ 9.82g/t Au from 36m

CFRC014 4m @ 5.72g/t Au from 60m

CFRC010 2m @ 5.25g/t Au from 48m

Red White and Blue Workings

CFRC009a 1m @ 10.79g/t Au from 25m

CFRC008 1m @ 4.96g/t Au from 46m

CFRC006 4m @ 4.81g/t Au from 36m

CFRC009 1m @ 3.51g/t Au from 9m

CFRC007 3m @ 1.81g/t Au from 52m

The RC drilling at both Currans Find North and Red White and Blue Reef prospects (25 holes for 1208m) demonstrates continuity of high-grade gold mineralization along strike and, particularly, down plunge. All reef testing was in the shallow oxide zone and the gold mineralisation remains open along strike and at depth.

A follow up drill program has recently been completed with assay results pending.

Mt Fisher Gold Project (100%)

During the quarter, a 6,000m+ drilling program was completed at the company's Mt Fisher gold project. Site activities concluded on 3 July with some final assays still outstanding.

The program comprised 3,075m of aircore drilling and 3,031m of RC drilling for a total of 6,106m. The best results received at the time of writing are from Dam and Dirks prospects:

16m @ 1.74g/t Au from 56m in MFRC047 at the Dam prospect

8m @ 1.86g/t Au from 92m in MFRC041 at the Dirks prospect

4m @ 1.56g/t Au from 36m and **4m @ 2.93 Au** from 52m in MFRC045 at the Dam prospect

The focus for the drilling program was to test deeper basement targets following new modelling of 'depth to basement' and conceptual modelling of the source of Dam regolith hosted gold.

Interpretations are ongoing however, a single basement source of, or a sufficiently large trap site for gold mineralisation site was not able to be delineated in this phase of drilling.

Fisher East Nickel Project (100%)

No significant activity undertaken during the quarter.

Collurabbie (100%)

No significant activity undertaken during the quarter.

Corporate

Alex Passmore was appointed Managing Director on 1 May 2019, having previously held the role of CEO.

The company's search for additional projects has slowed given Rox's recent acquisitions. Rox remains committed to optimising its portfolio and is considering options to upscale or alternatively divest non-core projects.

Financial

As of 30 June 2019, the Company's cash balance was \$3.9 million. A payment of A\$3.75 million is due by 15 February 2023 from Teck Australia. In addition, the Company holds 14,527,205 Thor Mining Plc CDI's which have a current market value of \$0.18 million. In total, the Company's cash, liquids (shares) and receivables are \$7.8 million.

Major items incurred during the quarter were a \$2.8 million payment to settle and close the Youanmi Gold Project Transaction, drilling and exploration at the company's gold projects and the acquisition and commencement of drilling at the Currans Find project.

For more information:

Shareholders/Investors

Alex Passmore

Managing Director

Tel: +61 8 9226 0044

admin@roxresources.com.au

Competent Person Statements:

Resource Statements

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 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 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 28 March 2018, and that all material assumptions and technical parameters underpinning the estimates in the announcement of 28 March 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.

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.

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 Project (50% and option to increase to 70%)

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/tAu 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.

Appendix 5B

Name of entity

ROX RESOURCES LIMITED

ABN

53 107 202 602

Quarter ended ("current quarter")

30-Jun-19

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for	-	-
	(a) exploration & evaluation	(309)	(1,388)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(285)	(776)
	(e) administration and corporate costs	(139)	(602)
1.3	Dividends received	-	-
1.4	Interest received	40	163
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Research and development refunds	-	-
1.8	Other	64	(344)
1.9	Net cash from / (used in) operating activities	(629)	(2,947)
2	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(3)	(18)
	(b) tenements (see item 10)	(2,874)	(3,513)
	(c) investments	-	-
	(d) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	13
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other	-	-
2.6	Net cash from / (used in) investing activities	(2,877)	(3,518)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
3	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	7,419	10,378
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(629)	(2,947)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,877)	(3,518)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,913	3,913

5	Reconciliation of cash and cash equivalents	Current quarter \$A'000	Previous quarter \$A'000
	at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		
5.1	Bank balances	2,834	334
5.2	Call deposits	1,079	7,085
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,913	7,419

6 Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	230
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	
Includes salaries, fees and superannuation to executive and non-executive directors.	

7 Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	
n/a	

8 Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		
n/a		

9 Estimated cash outflows for next quarter		\$A'000
9.1	Exploration and evaluation	1,844
9.2	Development	-
9.3	Production	-
9.4	Staff costs	176
9.5	Administration and corporate costs	186
9.6	Other (Acquisition)	150
9.7	Total estimated cash outflows	2,356

10	Changes in tenements (items 2.1(b) & 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2	Interests in mining tenements and petroleum tenements acquired or increased	Refer to Appendix 1			

Refer to Annexure 2 for full list of mining tenements.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:



(Company secretary)

Date: 31 July 2019

Print name: Brett Dickson

Appendix 1 - Interests in Mining Tenements Acquired

Project	Tenement Number	Interest	Interest Held
Youanmi Gold Project	E57/1121	All Minerals	100%
	E57/1122	All Minerals	100%
	E57/1123	All Minerals	100%
Youanmi - OYG JV	M57/10	All Minerals	50%
	M57/51	All Minerals	50%
	M57/75	All Minerals	50%
	M57/97	All Minerals	50%
	M57/109	All Minerals	50%
	M57/135	All Minerals	50%
	M57/160A	All Minerals	50%
	M57/164	All Minerals	50%
	M57/165	All Minerals	50%
	M57/166	All Minerals	50%
	M57/167	All Minerals	50%
Youanmi - Sandstone JV	E57/985	Gold Rights	Earning 45%
	E57/986	Gold Rights	Earning 45%
	E57/1011-I	Gold Rights	Earning 45%
	P57/1365	Gold Rights	Earning 45%
	P57/1366	Gold Rights	Earning 45%
Youanmi - VMC JV	E57/982	Gold Rights	Earning 50%
	E57/1018	Gold Rights	Earning 50%
	E57/1019	Gold Rights	Earning 50%
	E57/1023-I	Gold Rights	Earning 50%
	E57/1078	Gold Rights	Earning 50%
Youanmi - Currans JV	M57/641	All Minerals	45%
	M57/642	All Minerals	45%

Appendix 2 - Mining Tenements

Project	Tenement Number	Interest	Interest Held
Mt Fisher, WA	E53/1061	All Minerals	100%
	E53/1106	All Minerals	100%
	E53/1836	All Minerals	100%
	E53/1319	All Minerals	100%
	M53/09	All Minerals	100%
	M53/127	All Minerals	100%
	E53/1788	All Minerals	100%
	E53/2068	All Minerals	Application
Fisher East, WA	E53/1218	All Minerals	100%
	E53/1716	All Minerals	100%
	P53/1496	All Minerals	100%
	E53/1802	All Minerals	100%
	E53/1318	All Minerals	100%
	E53/1884	All Minerals	100%
	E53/1885	All Minerals	100%
	E53/1886	All Minerals	100%
	E53/1887	All Minerals	100%
	E53/1950	All Minerals	100%
	E53/2002	All Minerals	Application
	E53/2018	All Minerals	Application
Collurabbie, WA	E38/2009	All Minerals	100%
	E38/2912	All Minerals	100%
	E38/3193	All Minerals	100%
Youanmi Gold Project	E57/1121	All Minerals	100%
	E57/1122	All Minerals	100%
	E57/1123	All Minerals	100%
Youanmi - OYG JV	M57/10	All Minerals	50%
	M57/51	All Minerals	50%
	M57/75	All Minerals	50%
	M57/97	All Minerals	50%
	M57/109	All Minerals	50%
	M57/135	All Minerals	50%
	M57/160A	All Minerals	50%
	M57/164	All Minerals	50%
	M57/165	All Minerals	50%
	M57/166	All Minerals	50%
	M57/167	All Minerals	50%
Youanmi - Sandstone JV	E57/985	Gold Rights	Earning 45%
	E57/986	Gold Rights	Earning 45%
	E57/1011-I	Gold Rights	Earning 45%
	P57/1365	Gold Rights	Earning 45%
	P57/1366	Gold Rights	Earning 45%
Youanmi - VMC JV	E57/982	Gold Rights	Earning 50%
	E57/1018	Gold Rights	Earning 50%
	E57/1019	Gold Rights	Earning 50%
	E57/1023-I	Gold Rights	Earning 50%
	E57/1078	Gold Rights	Earning 50%
Youanmi - Currans JV	M57/641	All Minerals	45%
	M57/642	All Minerals	45%