ROX RESOURCES LIMITED
ACN 107 202 602

NOTICE OF GENERAL MEETING

A General Meeting of Rox Resources Limited (Rox) will be held at the Celtic Club, 48 Ord Street, West Perth, WA 6005, on 28 June 2021 at 10:00am (AWST)

The Notice of General Meeting should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company on (08) 9226 0044.

Shareholders are urged to attend the General Meeting or vote by lodging the proxy form attached to the Notice

ROX RESOURCES LIMITED
ACN 107 202 602

NOTICE OF GENERAL MEETING

Notice is hereby given that the General Meeting of Shareholders of Rox Resources Limited (**Rox**) will be held at 10:00am (AWST) on 28 June 2021 at the Celtic Club, 48 Ord Street, West Perth, WA 6005.

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form together form part of this Notice. The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders at 10:00am (AWST) on 26 June 2021.

Terms and abbreviations used in this Notice and the Explanatory Memorandum are defined in Schedule 1.

AGENDA

1 Resolution 1 – Ratify issue of Placement Securities under Listing Rule 7.1

To consider and, if thought fit, to pass with or without amendment, the following Resolution as an **ordinary resolution**:

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 109,303,714 Shares and 157,142,857 Options on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Hawke's Point (RRL) L.P. (**Hawke's Point**) or an associate of Hawke's Point.

However, this does not apply to a vote cast in favour of a resolution by:

(a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution that way; or

(b) the Chairman of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman to vote on the resolution as the Chairman decides; or

(c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

(i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and

(ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

2 Resolution 2 – Ratify issue of Placement Shares under Listing Rule 7.1A

To consider and, if thought fit, to pass with or without amendment, the following Resolution as an **ordinary resolution**:

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 204,982,000 Shares on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Hawke's Point or an associate of Hawke's Point.

However, this does not apply to a vote cast in favour of a resolution by:

(a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution that way; or

(b) the Chairman of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman to vote on the resolution as the Chairman decides; or

(c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

(i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and

(ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

3 Resolution 3 – Approval of Consolidation

To consider and, if thought fit, to pass with or without amendment, the following Resolution as an **ordinary resolution**:

"That, pursuant to and in accordance with section 254H of the Corporations Act, the Listing Rules and the Constitution and for all other purposes, approval is given for the Company to consolidate its issued capital on the basis that

(a) *every 15 Shares be consolidated into 1 Share; and*

(b) *all Options on issue be consolidated in accordance with Listing Rule 7.22.1,*

and where this consolidation results in a fraction of a Share or Option being held, the Company be authorised to round that fraction up or down to the nearest whole number."

4 Resolution 4 – Approval for an equal reduction of capital and In-specie Distribution of Cannon Shares

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

*"That, subject to the passing of Resolution 5, the following equal reduction of the capital of Rox is approved for the purposes of Section 256B and 256C of the Corporations Act and for all other purposes, on the date set on or after the date this Resolution is passed by the Directors to determine the entitlements of Shareholders to participate in the reduction of capital (**In-specie Record Date**):*

(a) *the capital of Rox be reduced, without cancelling any Shares, by an amount equal to the market value of approximately 36,450,000 Cannon Shares less a Demerger Dividend (if any) with effect as at 5.00pm (AWST) on the In-specie Record Date; and*

(b) *the reduction and Demerger Dividend (if any) be satisfied by Rox distributing and transferring approximately 36,450,000 Cannon Shares to the Shareholders of Rox registered on the In-specie Record Date on a pro rata basis, to be effected in accordance with the Constitution, the Listing Rules and as otherwise determined by the Directors, with the consequence that each Eligible Rox Shareholder on the In-specie Record Date shall be deemed to have consented to becoming a Cannon Shareholder and being bound by the Cannon Constitution,*

on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."

5 Resolution 5 – Approval to amend Constitution

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as a **special resolution**:

"*That, subject to the passing of Resolution 4, for the purposes of section 136(2) of the Corporations Act and for all other purposes, the Constitution of Rox be modified by making the amendment contained in the Explanatory Memorandum accompanying this Notice*."

BY ORDER OF THE BOARD

Brett Dickson
Company Secretary
Dated: 26 May 2021

ROX RESOURCES LIMITED
ACN 107 202 602

EXPLANATORY MEMORANDUM

1 Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at 10:00am (AWST) on 28 June 2021 at the Celtic Club, 48 Ord Street, West Perth, WA 6005.

The Explanatory Memorandum should be read in conjunction with, and forms part of, the Notice which should be read in its entirety.

The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section/Schedule	Information
Section 1:	Introduction and Indicative Timetable
Section 2:	Action to be taken by Shareholders
Section 3:	Resolutions 1 and 2 – Ratify issue of Placement Securities under Listing Rules 7.1 and 7.1A
Section 4:	Resolution 3 – Approval of Consolidation
Section 5:	Background to Resolutions 4 and 5
Section 6:	Background to Rox and Gold Assets
Section 7:	Background to Cannon, Cannon Priority Offer and Nickel Assets
Section 8:	Additional Information for Shareholders
Section 9:	Resolution 4 – Approval for an equal reduction of capital and In-specie Distribution of Cannon Shares
Section 10:	Resolution 5 – Approval to amend Constitution
Schedule 1:	Definitions
Schedule 2:	Terms and Conditions of Placement Options
Schedule 3:	Pro-forma Financial Information and Historical Financial Information – Rox

Schedule 4:	Unaudited Pro-forma Statement of Financial Position – Cannon
Schedule 5:	Key risk factors facing Cannon
Schedule 6:	Cannon's Material Contracts
Schedule 7:	Tenement Schedule
Schedule 8:	Independent Technical Assessment Report
Schedule 9:	Solicitor's Report on Tenements

A Proxy Form is located at the end of the Explanatory Memorandum.

1.1 **Other Legal Requirements – Short Form Prospectus**

Under applicable ASIC guidelines, the invitation to Shareholders to vote on Resolution 4 of the Notice of Meeting constitutes an "offer" to transfer Cannon Shares to Shareholders pursuant to the In-specie Distribution under Chapter 6D of the Corporations Act and a prospectus is required unless an exemption applies or ASIC provides relief. As no exemptions apply and no relief was obtained, Rox has prepared a short form prospectus in accordance with section 712 of the Corporations Act that contains information in relation to Cannon (**Short Form Prospectus**).

The Short Form Prospectus accompanies this Notice of Meeting and was lodged with ASIC on 26 May 2021, being the same date as this Notice of Meeting. Rox recommends that all Shareholders read the Short Form Prospectus carefully and in conjunction with this Notice of Meeting. The Short Form Prospectus also facilitates the secondary trading of Cannon Shares within the first 12 months of Shareholders receiving them without further disclosure. The Short Form Prospectus alone does not contain all the information that is generally required to satisfy the disclosure requirements of the Corporations Act. Rather, it incorporates all other necessary information by reference to information contained in this Notice of Meeting.

1.2 **Purpose of this document**

The main purpose of this document is to:

(a) explain the terms of the In-specie Distribution, and the manner in which the In-specie Distribution will be implemented (if approved); and

(b) to provide such information as is prescribed or otherwise material to the decision of Shareholders whether or not to approve Resolution 4 required to give effect to the In-specie Distribution.

This document includes a statement of all the information known to Rox that is material to Shareholders in deciding how to vote on the Resolutions as required by section 256C(4) of the Corporations Act.

1.3 **ASIC and ASX**

A final copy of this Notice of Meeting and Explanatory Memorandum has been lodged with ASIC and ASX. Neither ASIC, ASX nor any of their respective officers takes any responsibility for the contents of this document.

1.4 **Forward looking statements**

Some of the statements appearing in this document may be in the nature of forward-looking statements. The words ‘anticipate’, ‘believe’, ‘expect’, ‘project’, ‘forecast’, ‘estimate’, ‘likely’, ‘intend’,

'should', 'could', 'may', 'target', 'plan', 'consider', 'foresee', 'aim', 'will' and similar expressions are intended to identify forward-looking statements. Indications of guidance on future production, resources, reserves, sales, capital expenditure, earnings and financial position and performance are also forward-looking statements.

You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties, many of which are outside Rox's control. Those risks and uncertainties include factors and risks specific to Rox and Cannon such as (without limitation) the status of exploration and mining applications and licences and the risks associated with the non-grant or expiry of those applications and licences, liquidity risk, risks associated with the exploration or developmental stage of projects, funding risks, operational risks, changes to Government fiscal, monetary and regulatory policies, the impact of actions of Governments, the potential difficulties in enforcing agreements, protecting assets, increases in costs of transportation and shipping of international operations, alterations to resource estimates and the imprecise nature of resource and reserve statements, any circumstances adversely affecting areas in which Rox operates, fluctuations in the production, volume and price of commodities, any imposition of significant obligations under environmental regulations, fluctuations in exchange rates, the fluctuating industry and commodity cycles, the impact of inflation on operating and development costs, taxation, regulatory issues and changes in law and accounting policies, the adverse impact of wars, terrorism, political, economic or natural disasters, the impact of changes to interest rates, loss of key personnel and delays in obtaining or inability to obtain any necessary Government and regulatory approvals, insurance and occupational health and safety. For more information on the risk factors facing Cannon, please refer to Schedule 5.

Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statement and such deviations are both normal and to be expected.

None of Rox, Cannon, any of their respective officers or any person named in this document or involved in the preparation of this document make any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement, and you are cautioned not to place undue reliance on those statements.

The forward-looking statements in this document reflect views held only as at the date of this document.

1.5 No financial product advice

This document does not constitute financial product, taxation or investment advice nor a recommendation in respect of the Cannon Shares. It has been prepared without taking into account the objectives, financial situation or needs of Shareholders or other persons. Before deciding how to vote or act, Shareholders should consider the appropriateness of the information, having regard to their own objectives, financial situation and needs and seek legal, taxation and financial advice appropriate to their circumstances.

Neither Rox nor Cannon is licensed to provide financial product advice. No cooling-off regime applies in respect of the acquisition of Cannon Shares under the In-specie Distribution (whether the regime is provided for by law or otherwise).

1.6 No internet site is part of this document

No internet site is part of this Notice of Meeting and Explanatory Memorandum. Rox maintains an internet site (www.roxresources.com.au). References in this document to this internet site is a textual reference only and does not form part of this document.

1.7 **Indicative Timetable**

Event	Date
Rox lodges Notice of Meeting and Short Form Prospectus for the In-specie Distribution with ASIC	26 May 2021
Cannon lodges Cannon Prospectus with ASIC	26 May 2021
Record date for Priority Offer	31 May 2021
Opening date of Priority Offer	2 June 2021
General Meeting ASX informed of Shareholder approval	28 June 2021
Effective date for Consolidation	28 June 2021
Record date for Consolidation	1 July 2021
Cannon closes Priority Offer	2 July 2021
In-specie Record Date	22 July 2021
In-specie Distribution to Shareholders of Cannon Shares	28 July 2021
Cannon admitted to ASX	9 August 2021
Expected date for quotation of Cannon Shares on ASX	10 August 2021

These dates are indicative only and may change without notice at the discretion of the Directors, subject to the Corporations Act, ASX Listing Rules and other applicable laws.

2 Action to be taken by Shareholders

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 **Voting in person**

To vote in person, attend the Meeting on the date and at the place set out above.

All Resolutions will be decided by a poll.

2.2 **Proxies**

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to Rox in accordance with the instructions set out in the Proxy Form. Returning the Proxy Form to Rox will not preclude a Shareholder from attending or (subject to the voting exclusions set out in the Notice) voting at the Meeting in person.

Please note that:

(a) a Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy;

(b) a proxy need not be a Shareholder; and

(c) a Shareholder entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. Where the proportion or number is not specified, each proxy may exercise half of the votes.

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 Meeting will be the entitlement of that person set out in the Register of Shareholders as at 10:00am (AWST) on 26 June 2021.

Proxy Forms must be received by Rox no later than 10:00am (AWST) on 26 June 2021, being at least 48 hours before the Meeting.

The Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

2.3 Inter-conditional resolutions

Resolutions 4 and 5 are inter-conditional, meaning that each of them will only take effect if they are approved by the requisite majority of Shareholders' votes at the Meeting or the Board decides to waive the inter-conditionality of Resolutions 4 and 5. The Board may, at its absolute discretion and subject to the Listing Rules and Corporations Act, elect to waive the inter-conditionality of Resolutions 4 and 5.

2.4 Chairman's voting intentions

The Chairman intends to exercise all available proxies in favour of all Resolutions, unless the Shareholder has expressly indicated a different voting intention.

3 Resolutions 1 and 2 – Ratify issue of Placement Securities under Listing Rules 7.1 and 7.1A

3.1 General

As announced on 18 March 2021, Rox entered into a binding subscription agreement with Hawke's Point to raise $11 million (**Placement**).

Pursuant to the Placement, Rox issued 314,285,714 Shares (**Placement Shares**) together with 1 free attaching Option for every 2 Placement Shares issued, being 157,142,857 Options (**Placement Options**) on 26 March 2021 to Hawke's Point (together, the **Placement Securities**).

109,303,714 Shares and all 157,142,857 of the Options were issued under the Company's existing 15% capacity in accordance with Listing Rule 7.1 and 204,982,000 Shares were issued under the Company's existing 10% capacity in accordance with Listing Rule 7.1A.

Refer to the Rox's announcement of 18 March 2021 for further details of the Placement.

Resolutions 1 and 2 are ordinary resolutions.

3.2 **Listing Rule 7.4**

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The Placement does not fit within any of these exceptions and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing Rox's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue date.

Listing Rule 7.1A enables an eligible entity to issue equity securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting. The 10% placement facility is in addition to the Company's 15% annual placement capacity under Listing Rule 7.1.

The Company obtained the requisite shareholder approval under Listing Rule 7.1A at its 2020 annual general meeting.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and Listing Rule 7.1A and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

Rox wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1 and Listing Rule 7.1A. To this end, Resolutions 1 and 2 seek Shareholder approval for the Placement under and for the purposes of Listing Rule 7.4.

If Resolution 1 is passed, the Placement will be excluded in calculating Rox's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 2 is passed, the Placement will be excluded in calculating Rox's 10% limit in Listing Rule 7.1A, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 1 is not passed, the Placement will be included in calculating Rox's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 2 is not passed, the Placement will be included in calculating Rox's 10% limit in Listing Rule 7.1A, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

3.3 **Specific information required by Listing Rule 7.5**

In accordance with Listing Rule 7.5, information is provided in relation to the Placement as follows:

(a) The Placement Securities were issued to Hawke's Point (RRL) L.P, who is not a related party of Rox or an associate of a related party of Rox. As a result of the issue of the Placement Shares, Hawke's Point became a substantial shareholder of Rox, with an approximate 13% interest in Rox.

(b) 314,285,714 Shares and 157,142,857 unlisted Options were issued, of which:

(i) 109,303,714 Shares and all 157,142,857 of the Options were issued under the Company's existing 15% capacity in accordance with Listing Rule 7.1, for which ratification is being sought under Resolution 1; and

(ii) 204,982,000 Shares were issued under the Company's existing 10% capacity in accordance with Listing Rule 7.1A, for which ratification is being sought under Resolution 2.

(c) The Placement Shares are fully paid ordinary share and rank equally in all respects with the Company's existing Shares.

(d) A summary of the material terms of the Placement Options is in Schedule 2 of this Notice.

(e) The Placement Securities were issued on 26 March 2021.

(f) The Placement Shares were issued at $0.035 per Share per Share and the Placement Options were free attaching options.

(g) The purpose of the Placement was to raise $11 million to provide Rox with funds to be used for development of the Youanmi Gold Project; including for RC and DD drilling, scoping and technical management and to conduct definitive feasibility studies at the Youanmi Gold Project.

(h) The Placement Securities were issued pursuant to a subscription agreement (**Subscription Agreement**) with Hawke's Point, the material terms of which include:

(i) Creation of a technical steering committee by Rox in relation to key projects.

(ii) For so long as Hawke's Point holds voting power of at least 9% or more, then until the occurrence of a Terminating Event (see definition below) there will be a:

(A) Right for Hawke's Point to nominate a director to Rox's Board of Directors.

(B) Right for Hawke's Point to nominate a member of Rox's technical steering committee.

(C) Right for Hawke's Point to be given 10 business days' notice of a proposed equity issuance and obligation to negotiate in good faith to identify whether Rox will agree the terms on which Hawke's Point may participate in the equity issuance.

(D) Right of first refusal for Hawke's Point to participate in up to 50% of any debt, royalty or streaming agreement (other than in relation to debt on customary commercial terms relating to the construction of a mine at the Youanmi Gold Project or in relation to bank guarantees or the novation, assignment or other disposal of any existing royalties).

(E) Consent right for Hawke's Point in relation to certain fundamental matters.

(iii) A Terminating Event means the occurrence of any of the following:

(A) Hawke's Point or any of its associates directly causes or allows their voting power in the Company to reduce below 9%, for example:

(I) by disposing of shares; or

(II) where Hawke's Point refuses to accept an offer of shares from Rox that is made on terms no less favourable than those offered to other shareholders (in the case of an entitlement offer) or the proposed placees (in the case of a placement); or

(B) Hawke's Point's voting power in Rox is less than 9% for a continuous period of 12 months.

(iv) The Subscription Agreement otherwise contains standard warranties and termination events for an agreement of its type.

(i) A voting exclusion statement is included in the Notice for Resolutions 1 and 2.

3.4 Directors Recommendations

The Directors recommend that Shareholders vote in favour of Resolutions 1 and 2.

4 Resolution 3 – Approval of Consolidation

4.1 General

Resolution 3 seeks Shareholder approval for the consolidation of Shares and Options on issue on a 1 for 15 basis (**Consolidation**).

As at the date of this Notice, Rox has 2,364,114,177 Shares and 304,142,857 Options on issue. The purpose of the Consolidation is to implement a more appropriate capital structure for Rox going forward and the Board considers that the Consolidation is important and necessary as it continues to progress the Youanmi Gold Project. Rox has a large number of shares on issue due to historical equity-based capital raisings that have provided the working capital to explore and develop Rox's projects. Rox believes the Consolidation will provide the best platform for continued growth, a capital structure that is more in line with the Company's size and a share price level that is more attractive to institutional investors.

Subject to Shareholder approval, it is currently proposed that the effective date for the Consolidation will be 28 June 2021.

Resolution 3 is an ordinary resolution.

4.2 Corporations Act and Listing Rule requirements

Section 254H of the Corporations Act provides that a Company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number.

The Listing Rules also require that the number of options on issue be consolidated in the same ratio as the ordinary shares and the exercise price of options be amended in inverse proportion to that ratio. Similarly, the number or the conversion price (or both) of convertible securities (other than options) must be reorganised so that the holders of the convertible securities do not receive a benefit that holders of ordinary securities do not receive.

4.3 **Effect of Resolution 3 to Shareholders**

The Company has 2,364,114,177 Shares on issue at the date of this Notice.

The Consolidation proposed by Resolution 3 will have the effect of reducing the number of shares on issue to approximately 157,607,612 Shares. Individual holdings will be reduced in accordance with the Consolidation ratio.

The Consolidation applies equally to all members (subject only to the rounding of fractions), Therefore, it will have no material effect on the percentage interest of each member in the Company. Further, the aggregate value of each member's proportional interest in the Company will not materially change solely as a result of the Consolidation as the only anticipated changes, which will be a result of rounding, will be immaterial.

Theoretically, the market price of each share following the Consolidation should increase by 15 times its current value. Practically, the actual effect on the market price of each share will be dependent upon on a number of factors which will not be within the control of the Company. Therefore, this may result in the market price of each share following Consolidation being higher or lower than the theoretical post-Consolidation price.

4.4 **Effect of Resolution 3 to Optionholders**

The Company has 304,142,857 Options on issue at the date of this Notice.

In accordance with Listing Rule 7.22, and the terms of issue of the Options currently on issue, the Consolidation will involve a corresponding adjustment to Options, having the effect that the number of Options will reduce in proportion to the ordinary share capital and the exercise price will increase in inverse proportion to the Consolidation ratio.

If the Consolidation is approved, the Company's options to acquire shares (Options) will also be reorganised in accordance with their terms and conditions and Listing Rule 7.22.1 (as applicable) on the basis that the number of Options will be consolidated in the same ratio as the shares and the exercise price will be amended in inverse proportion to that ratio. The expiry dates of Options will not change.

For example, a holding of 750,000 Options with an exercise price of $0.05 each prior to the share consolidation would result in a holding of 50,000 options with an exercise of $0.75 each after the Consolidation.

After the Consolidation, assuming none of the Options are exercised there will be unlisted Options, comprising approximately (subject to rounding):

(a) 10,476,191 exercisable at $1.05, each on or before 26 March 2025.

(b) 1,333,334 exercisable at $0.225, each on or before 31 January 2022.

(c) 4,466,667 exercisable at $0.495, each on or before 30 November 2022.

(d) 1,333,334 exercisable at $1.50, each on or before 31 December 2023.

(e) 1,333,334 exercisable at $1.875, each on or before 31 December 2023.

(f) 1,333,334 exercisable at $2.25, each on or before 31 December 2023.

The Consolidation will not result in any change to the substantive rights and obligations of existing holders of Options.

4.5 Fractional Entitlements

Not all Shareholders and holders of Options will hold a number of Shares or Options which can be evenly divided by 15. Where a fractional entitlement occurs, the Company will round the fraction up or down to the nearest whole number, with entitlements to less than half of a Share or Option rounded down.

4.6 Taxation

It is not considered that any taxation implications will arise for Shareholders or holders of Options from the Consolidation. However, Shareholders and holders of Options are advised to seek their own tax advice on the effect of the Consolidation. The Company, the Directors and the proposed Directors and their advisers do not accept any responsibility for the individual taxation implications arising from the Consolidation or the other proposed Resolutions.

4.7 Holding Statements

Holding statements for previously quoted Shares will cease to have any effect from the date of the Consolidation, except as evidence of an entitlement to a certain number of Shares on a post Consolidation basis.

After the Consolidation becomes effective, the Company will arrange for new holding statements for Shares proposed to be quoted to be issued to holders of those Shares.

It is the responsibility of each Shareholder to check the number of Shares held prior to subsequent disposal.

4.8 Directors Recommendations

The Directors recommend that Shareholders vote in favour of Resolution 3.

5 Background to Resolutions 4 and 5

5.1 Background and rationale for the Demerger

As announced on 31 March 2021, Rox will transfer the assets comprising the Fisher East and Collurabbie nickel projects (**Nickel Assets**) to its new subsidiary company, Cannon Resources Limited (**Cannon**), in consideration for 45,000,000 Cannon Shares (**Internal Restructure**).

Subject to the approval of Resolutions 4 and 5, Rox intends to distribute and transfer approximately 81% of the Cannon Shares on issue or approximately 36,450,000 Cannon Shares (**In-specie Cannon Shares**), to Eligible Rox Shareholders on a pro rata basis as an in-specie distribution (**In-specie Distribution**) (together with the Internal Restructure, the **Demerger**).

In conjunction with the In-Specie Distribution, Cannon intends to apply for admission to the Official List of ASX and to raise capital to progress the Nickel Assets via a pro-rata priority offer of up to 30,000,000 Cannon Shares, together with one free attaching option for every three Cannon Shares issued, to existing Rox Shareholders with a registered address in Australia, New Zealand or the Cayman Islands on the record date for the Priority Offer to raise A$6 million (before costs) **(Priority Offer).**

For further details regarding Cannon, the Priority Offer and the Nickel Assets, please see Section 7, the Independent Technical Assessment Report in Schedule 8 and the Solicitor's Report on the Tenements in Schedule 9.

Rox's primary purpose in undertaking the In-Specie Distribution is to facilitate a greater focus on Rox's large and high-quality portfolio of Western Australian gold and nickel exploration assets in line with the Board's commitment to deliver value for Rox Shareholders. Rox believes the Nickel Assets are undervalued within the current company structure and accordingly is pursuing the In-Specie Distribution to unlock the value of the Nickel Assets.

The In-specie Distribution is being undertaken to achieve the following objectives:

(a) secure sufficient funding for accelerated exploration and further growth plans with respect to the Nickel Assets;

(b) the In-specie Distribution will allow Rox to dedicate its efforts to its Youanmi and Mount Fisher gold projects (**Gold Assets**), and in doing so will remove the internal competition for valuable capital;

(c) provide Shareholders with the opportunity to participate in the exploration and possible development of the Nickel Assets, whilst maintaining their investment exposure to the Gold Assets;

(d) drive superior value for shareholders in both entities;

(e) enable both Cannon and Rox to undertake more targeted marketing to investors as both companies have a clear and more easily understood investment proposition; and

(f) allow for Rox and Cannon to have independent management.

5.2 **Steps to implement Demerger**

The Demerger will comprise the following steps:

1. Rox will transfer the Nickel Assets to Cannon, comprising the Tenements in Schedule 7, in consideration for 45,000,000 Cannon Shares.

2. Rox Shareholders approve the In-specie Distribution.

3. In accordance with the timetable set out in Section 1.7 above, Rox will distribute and transfer In-specie Cannon Shares to Eligible Rox Shareholders on a pro-rata basis (with Ineligible Rox Shareholders receiving cash proceeds for their entitlements – see Section 8.5(b) for further details). Rox will retain approximately 8,550,000 Cannon Shares, equivalent to approximately 19% of the issued capital of Cannon.

4. Cannon proposes to list on ASX and will seek approval for official quotation of the Cannon Shares on ASX.

The In-specie Distribution will be effected by way of an equal reduction of Rox's capital, pursuant to which Eligible Rox Shareholders will receive a pro rata distribution of In-specie Cannon Shares in proportion to the number of Rox Shares held by them at the In-specie Record Date (**Capital Reduction**). Eligible Rox Shareholders will thereby receive a direct ownership interest in Cannon whilst still maintaining their ownership interest in Rox.

The Demerger is subject to the terms of the Demerger Agreement between Rox and Cannon. Refer to Schedule 6 for a summary of the Demerger Agreement. Subject to the satisfaction of the outstanding Demerger Conditions set out in section 5.3 below, Cannon will be de-merged from Rox following completion of the In-specie Distribution.

5.3 Demerger Conditions

The Demerger and Priority Offer will only proceed if the following conditions are met (together, the **Demerger Conditions**):

(a) (**Transfer of Tenements**) Rox obtaining all necessary regulatory approvals for the transfer of 100% legal and beneficial interest of the Tenements to Cannon;

(b) (**Split commodity agreement**) Rox and Cannon entering into a split commodity agreement for Rox to retain gold rights and Cannon to retain rights to all other minerals in respect of E53/1218;

(c) (**Rox approvals**) Rox obtaining all necessary shareholder approvals required by the Corporations Act, the Listing Rules and its Constitution to give effect to the Capital Reduction and In-specie Distribution;

(d) (**Capital Raising**) Cannon raising $6,000,000 under the Priority Offer pursuant to the Cannon Prospectus;

(e) (**Cannon approvals**) Cannon receiving a letter from ASX confirming that ASX will admit Cannon to the Official List of ASX, subject to the satisfaction of terms and conditions acceptable to Cannon; and

(f) (**No regulatory intervention**) no regulatory intervention occurring that would otherwise prevent the Demerger from proceeding.

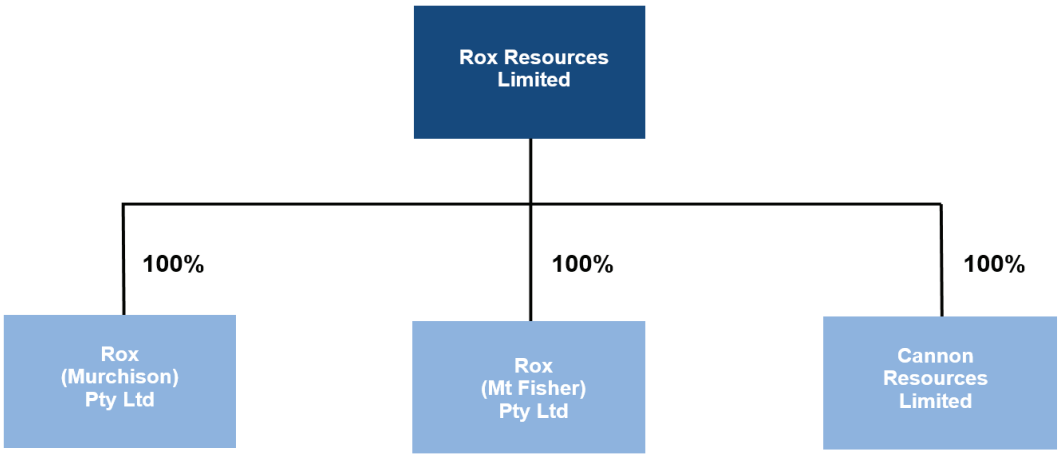
There is no guarantee that Rox will proceed with the In-specie Distribution or that the Priority Offer will be successful and result in a listing on ASX.

From a tax perspective, Rox has sought a class ruling from the ATO seeking to confirm that Demerger Relief for income tax purposes will be available (see Section 8.7 for further details).

5.4 Current structure of Rox

The current corporate structure of Rox is shown below in Figure 1.

Figure 1. Current structure



5.5 Proposed structure of Rox and Cannon

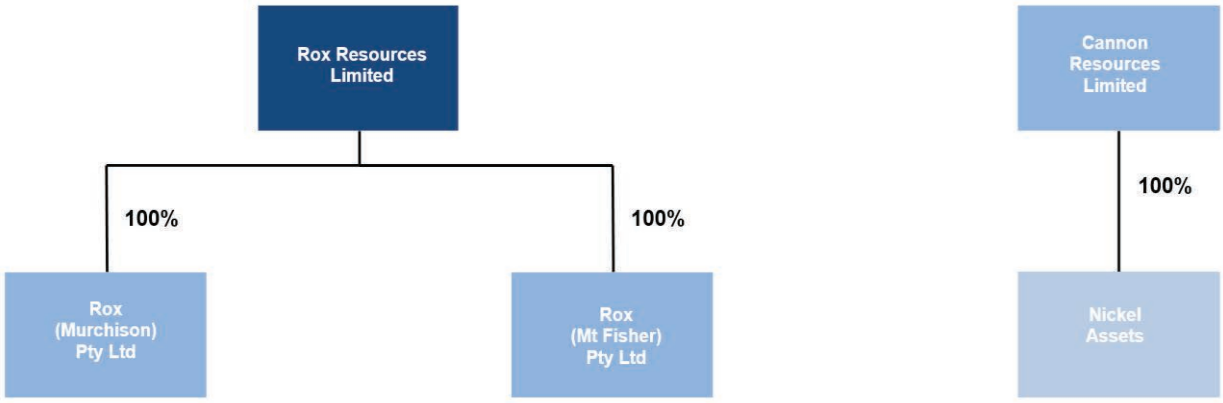
In the event:

(a) Resolutions 4 and 5 are passed; and

(b) the Demerger Conditions are satisfied,

the restructure of Rox and Cannon will result in the following structure:

Figure 2. Proposed structure post Demerger



Rox will retain an approximately 19% shareholding in Cannon upon completion of the In-specie Distribution.

5.6 Plans for Rox following completion of the In-specie Distribution

There are no changes proposed to the Board of Rox as a result of the In-specie Distribution.

Rox will retain an approximate 19% shareholding in Cannon upon completion of the In-specie Distribution. The Board considers it appropriate and beneficial to retain an approximate 19% interest in Cannon, given the proximity of the Nickel Assets to the Gold Assets. Rox wishes to retain a strategic exploration and corporate relationship with Cannon and maintain an economic exposure to the Nickel Assets.

Following completion of the In-specie Distribution, Rox will continue to pursue development of its Gold Assets.

At the OYG joint venture at the Youanmi Gold Project (**OYG JV**) with Venus Metals Corporation Limited (**VMC**), Rox will focus drilling on two new targets with the intention of updating the resources estimate based on all the drilling Rox has completed at the OYG JV to date. Should that exploration be successful and a resource estimate delineated, the current intention is to commence feasibility studies into recommencing gold production.

Additionally, Rox will transition to operatorship of the regional joint ventures at Youanmi. At Mount Fisher Rox will continue to explore gold prospectivity in the central and western belt of the project.

5.7 Plans for Rox if the In-specie Distribution is not approved

Should the In-specie Distribution not proceed as a result of the non-satisfaction of the Demerger Conditions, Rox will still proceed with the Internal Restructure and its corporate structure will remain as it is currently (see Figure 1).

If the In-specie Distribution does not proceed, Rox will continue to focus its resources on developing all of its projects. Rox may need to raise further capital or source other funding to continue the development of the Nickel Assets.

Shareholders will not receive any Cannon Shares. If this occurs, Rox may explore alternative methods of funding development of the Nickel Assets although a successful outcome cannot be guaranteed.

Failure to achieve completion of the In-specie Distribution may result in a reduced level of expenditure on the Nickel Assets by Rox, or development may occur on a delayed timetable, through joint venturing or other mechanisms.

The Board has considered all the alternatives currently available and believes that the In-specie Distribution is expected to result in the most advantageous result for existing Shareholders.

5.8 **Financial information for Rox and pro-forma statement of financial position for Cannon**

Set out in Schedule 3 is the historical financial information for Rox, together with the pro forma financial information for Rox following completion of the In-Specie Distribution.

A pro forma statement of financial position for Cannon, reflecting completion of the In-Specie Distribution and Priority Offer is set out in Schedule 4.

The financial information contained in Schedule 3 and Schedule 4 has been prepared by Rox in relation to the In-specie Distribution. The financial information presented in Schedule 3 and Schedule 4 should be read in conjunction with the risk factors set out in Schedule 5 and other information in this Notice.

5.9 **Advantages and disadvantages of the In-specie Distribution:**

(a) **Advantages**

(i) Provides Rox with a clearer focus and corporate strategy aligned with its gold projects.

(ii) Provides Shareholders with shares in two companies – Rox and Cannon – which the Board believes has a better prospect of delivering greater value to Shareholders than both the Nickel Assets and the Gold Assets being owned by Rox.

(iii) Shareholders may elect to retain exposure to either one or both companies as dictated by their investment preferences and objectives.

(A) All Shareholders will retain an interest in the Nickel Assets through their individual pro rata shareholdings in Cannon and thereby have an opportunity to benefit from the development of the Nickel Assets; and

(B) All Shareholders will retain approximately their current percentage ownership interest in the capital of Rox and exposure to the Gold Assets.

(iv) The In-specie Distribution will deliver a structure that allows for Cannon to focus specifically on advancing the Nickel Assets and for Rox to focus its efforts on the Gold Assets, with neither Cannon nor Rox affected by events or occurrences relating to the other's projects.

(v) The Rox Board sees considerable underlying value in the Nickel Assets that is not currently being valued by the market, therefore a dedicated fully funded vehicle may achieve appropriate values.

(vi) Future capital raisings are expected to be more readily achieved by each individual entity as the focus of the funding will be on either specifically, Rox's gold projects or Cannon's Nickel Assets. In addition, the In-specie Distribution is

expected to provide greater flexibility to both Rox and Cannon to attract strategic investors.

(vii) After a full and proper assessment of all available information, the Directors believe that the In-specie Distribution is in the best interests of Rox Shareholders.

(b) **Disadvantages**

(i) Rox will incur costs associated with the In-specie Distribution and Priority Offer (some of which will initially be incurred by Rox), including, but not limited to:

(A) legal, accounting and advisory fees incurred in the preparation of documentation required to give effect to the In-specie Distribution and Priority Offer; and

(B) tax advice obtained in relation to any taxation consequences of the In-specie Distribution.

(ii) Shareholders may incur additional transaction costs if they wish to dispose of their Cannon Shares (e.g. brokerage costs).

(iii) There are a number of potential disadvantages arising from Cannon seeking further funding. These include, but are not limited to:

(A) dilution of Cannon Shareholders' shareholdings via the Priority Offer; and

(B) uncertainty regarding Cannon's ability to raise required funding.

(iv) Assuming completion of the In-specie Distribution, there will be two separate companies that will require funding and will incur ongoing administrative costs which in some instances may lead to duplication.

(v) A significant amount of time has been spent by the Board and by Rox's management in giving effect to the In-specie Distribution.

5.10 **Capital Reduction and In-specie Distribution of Cannon Shares**

Rox seeks Shareholder approval under Resolution 4 to enable Rox to reduce its capital by an amount equivalent to the market value of approximately 36,450,000 Cannon Shares less a Demerger Dividend (if any), to be satisfied through the distribution of approximately 81% of the Cannon Shares on issue or approximately 36,450,000 Cannon Shares in-specie to Eligible Rox Shareholders (or in the case of Ineligible Rox Shareholders, to the Nominees). Rox will retain approximately 8,550,000 Cannon Shares, equivalent to approximately 19% of the issued capital of Cannon.

The Corporations Act and the Listing Rules set out the procedure and timing for a capital reduction. Refer to Section 1.7 for an indicative timetable in respect of the In-specie Distribution.

Assuming that the Demerger Conditions are met and that Rox proceeds with the In-specie Distribution, the In-specie Record Date to determine entitlements of Shareholders to participate in the In-specie Distribution will be determined by the Directors following Shareholder approval under Resolution 4.

If the Capital Reduction proceeds, Rox Shareholders will receive a pro rata entitlement to approximately 36,450,000 Cannon Shares and each Eligible Rox Shareholder's name will be entered on the register of members of Cannon with each Eligible Rox Shareholder having deemed to have consented to becoming a Cannon shareholder and being bound by the Cannon

Constitution. Ineligible Rox Shareholders will have their pro-rata entitlement of Cannon Shares sold by the Nominees. See Section 8.5(b).

An Eligible Rox Shareholder's entitlement to Cannon Shares to be distributed is to be based on the number of Rox Shares held at the In-specie Record Date.

Due to the outstanding Options on issue in Rox and also because of the potential future issue of Rox Shares by Rox before the In-specie Record Date, it is not clear at the date of this Notice how many Rox Shares will be on issue at the In-specie Record Date nor therefore what the exact ratio for the In-specie Distribution will be.

Assuming there are 2,364,114,177 Shares on issue at the In-specie Record Date:

(a) if no Options are exercised prior to the In-specie Record Date, the ratio will be approximately 1 Cannon Share for every 64 Rox Shares.

(b) if all Options are exercised, the ratio will be approximately 1 Cannon Share for every 73 Rox Shares.

Assuming Shareholders approve the Consolidation proposed under Resolution 3 and there are 157,607,611 Shares on issue at the In-specie Record Date:

(a) if no Options are exercised prior to the In-specie Record Date, the ratio will be approximately 1 Cannon Share for every 4 Rox Shares.

(b) if all Options are exercised, the ratio will be approximately 1 Cannon Share for every 5 Rox Shares.

Other than as Shareholders of Rox or as otherwise set out in this Explanatory Memorandum, none of the Directors have any interest in the Resolutions.

5.11 **Effect of In-specie Distribution on Shareholders**

What will you receive?

If the In-specie Distribution is implemented, Eligible Rox Shareholders will receive an in-specie return of capital by way of the distribution of In-specie Cannon Shares in proportion to the number of Shares held by them at the In-specie Record Date.

Shareholders are not required to contribute any payment for the In-specie Cannon Shares which they are entitled to receive under the In-specie Distribution.

For information with respect to the impact of the In-specie Distribution on Ineligible Rox Shareholders, refer to Section 8.5(b).

What is the impact on your shareholding in Rox?

The number of Shares in Rox that you hold will not change as a result of the In-specie Distribution.

If the In-specie Distribution is implemented, the value of your Rox Shares in Rox may be less than the value held prior to the In-specie Distribution being implemented due to the removal of the Nickel Assets from Rox's asset portfolio. The size of any decrease cannot be predicted and will be dependent on the value ascribed to the Nickel Assets.

Do you have to do anything to receive your In-specie Cannon Shares?

You must be an Eligible Rox Shareholder holding Rox shares on the In-specie Record Date in order to receive an entitlement to In-specie Cannon Shares. If the In-specie Distribution proceeds, you

will automatically receive the In-specie Cannon Shares you are entitled to receive (unless you are an Ineligible Rox Shareholder, in which case you will receive the proceeds – see Section 8.5(b) for more information), even if you vote against the In-specie Distribution or do not vote at all.

Can I acquire more Cannon Shares under the Priority Offer?

Yes, Shareholders may participate in the Priority Offer by making a valid application and paying the application monies under the Cannon Prospectus.

Will I be able to trade my Cannon Shares?

If the In-specie Distribution is approved by Shareholders and is implemented and the conditions precedent to the Priority Offer are satisfied and Cannon is admitted to the Official List of ASX, a holder of Cannon Shares will be able to sell their Cannon Shares in the future.

What are the taxation implications of the In-specie Distribution?

A general guide to the taxation implications of the In-specie Distribution is set out in Section 8.6 of this Explanatory Memorandum. The description is expressed in terms of the In-specie Distribution and is not intended to provide taxation advice in respect of particular circumstances of any Rox Shareholder. Rox Shareholders should obtain professional advice as to the taxation implications of the In-specie Distribution in their specific circumstances.

What will happen if Resolutions 4 and 5 are not approved?

In the event that Rox Shareholders do not approve Resolutions 4 and 5, the In-specie Distribution will not proceed and the distribution of In-specie Cannon Shares to Eligible Rox Shareholders will not occur.

5.12 Directors' Recommendations

After considering all relevant factors, the Directors unanimously recommend the Shareholders vote in favour of Resolutions 4 and 5 for the following reasons:

(a) after a full and proper assessment of all available information they believe that the In-specie Distribution is in the best interests of Shareholders and Rox;

(b) in the opinion of the Directors, the advantages of the In-specie Distribution outweigh its disadvantages as set out in Section 5.9; and

(c) the Directors are satisfied that the In-specie Distribution is the best option available to realise the value of the Nickel Assets in the current circumstances, taking account of the current lack of value ascribed to the Nickel Assets under the current Rox corporate structure.

6 Background to Rox and Gold Assets

Rox is an ASX listed company with advanced gold and nickel projects in Western Australia.

6.1 Gold Assets

Youanmi Gold Project

The Youanmi Gold Project (**Youanmi Gold Project**) is located 480 km to the northeast of Perth, Western Australia, 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 Youanmi Gold Project consist of four joint ventures with VMC and tenements 100% owned by Rox. The joint ventures are:

(a) The OYG JV (Rox 70% all minerals)

(b) the VMC JV (Rox 50% gold rights)

(c) the Youanmi JV (Rox 45% gold rights); and

(d) the Currans Find JV (Rox 45% all minerals).

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 96,000 oz of gold produced from Youangarra, Penny West, Columbia-Magenta, Currans and other minor prospects.

OYG JV

The OYG JV comprises an approximate 8 km by 10 km area of granted mining leases which cover the historic Youanmi mining centre. This area contains the projects current resource inventory and also covers growth projects including the Grace Prospect. The site has significant infrastructure in place with access roads, an accommodation village (suitable for exploration), borefield and power lines in place providing a head start for development.

VMC JV

The VMC JV lies immediately south of the OYG JV and covers 302km^2 with some 35km of strike the Youanmi shear zone (**Youanmi Shear Zone**).

A ground magnetic survey totalling 232-line kms (with 50 m line spacing) was recently completed at the Penny West Deep South Prospect covering 8.3 km strike of the Youanmi Shear Zone south of the historical Penny West Gold Mine. The survey highlighted a number of prospective stratigraphic and structural target positions for Penny West-style gold mineralization.

Youanmi JV

The Youanmi JV covers 270 km^2 and lies to the south west and north east of the OYG JV. Under the terms of the Youanmi JV, Rox was required to spend $200,000 on exploration to earn a 45%

interest in the gold rights under the Youanmi JV. These expenditure commitments have now been met. Refer to Rox's ASX announcement of 12 April 2021 for further details.

Currans Find JV

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. 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.

Refer to the mineral resource table in Section 6.2 below for the mineral resource estimates for the Youanmi Gold Project.

Mount Fisher Project

The Mount Fisher project (Rox 100%) (**Mount Fisher Project**) tenements host extensive gold mineralisation.

Three parallel structures at the Dam-Dirks prospect define a 7 km long gold-in-regolith anomaly which is largely untested at depth, and which already hosts the 55,373 ounce Damsel gold mineral resource estimate. Diamond drilling has intersected multiple zones of gold mineralisation at the Dam Central prospect.

Refer to the mineral resource table in Section 6.2 below for the mineral resource estimates for the Mount Fisher Project.

6.2 **Mineral resources estimates for the Gold Assets**

Youanmi Gold Project (Reported to the ASX on 17 April 2019)

Deposit	Category	Tonnes (Mt)	Grade Au (g/t)	Contained Gold (oz)
Near Surface Deposits (cut-off 0.5 g/t Au)	Indicated	4.72	1.76	266,200
	Inferred	5.36	1.55	266,500
	TOTAL	**10.07**	**1.65**	**532,700**

Deposit	Category	Tonnes (Mt)	Grade Au (g/t)	Contained Gold (oz)
Deeps (cut-off 4.0 g/t Au)	Indicated	0.81	8.1	210,200
	Inferred	1.60	8.7	447,700
	TOTAL	**2.41**	**8.5**	**657,900**

Mount Fisher Project (Reported to the ASX on 11 July 2018, 0.8 g/tAu cut-off)

Deposit	Category	Tonnes	Uncut		Cut		
			Grade (g/tAu)	Metal (Ozs)	Grade (g/tAu)	Metal (Ozs)	Value (g/tAu)
Damsel	Inferred	591,820	2.29	43,627	2.23	42,339	30
	Indicated	151,464	2.33	11,358	2.27	11,060	30
	Measured	23,712	2.80	2,135	2.59	1,974	30
	TOTAL	**766,997**	**2.32**	**57,120**	**2.25**	**55,373**	30

Mt Fisher	Inferred	40,934	3.44	4,528	3.41	4,494	50
	Indicated	59,533	3.63	6,948	3.63	6,948	50
	Measured	125,605	3.73	15,045	3.61	14,569	50
	TOTAL	**226,073**	**3.65**	**26,521**	**3.58**	**26,011**	50
Moray Reef	Inferred	1,242	3.87	155	3.87	155	80
	Indicated	4,930	6.09	966	5.59	943	80
	Measured	25,521	10.92	8,960	8.02	6,577	80
	TOTAL	**31,693**	**9.89**	**10,081**	**7.53**	**7,675**	80
TOTAL	Inferred	633,997	2.37	48,309	2.31	46,987	
	Indicated	215,928	2.78	19,273	2.73	18,951	
	Measured	174,838	4.65	26,140	4.11	23,121	
	TOTAL	**1,024,762**	**2.84**	**93,721**	**2.70**	**89,059**	

Figures in all tables may not add up exactly due to rounding.

6.3 Information concerning Rox Shares

The rights attaching to the Rox Shares will not alter as a result of the In-specie Distribution.

For the information of Shareholders, the highest and lowest closing prices of Rox's Shares as traded on ASX during the 12 months immediately preceding the date of this Explanatory Memorandum, and the respective dates of those sales were:

	Price	Date
Highest:	0.098	25 June 2020
Lowest:	0.023	10 June 2020

6.4 Disclosure to ASX

As an entity with Shares quoted on the Official List of the ASX, Rox is a disclosing entity and, as such, is subject to regular reporting and the continuous disclosure requirements set out in Chapter 3 of the Listing Rules. Copies of documents lodged in relation to Rox may be obtained for a fee from, or inspected at, an office of ASIC or can be accessed at either the ASX announcements platform or Rox's website.

7 Background to Cannon, Cannon Priority Offer and Nickel Assets

Cannon Resources Limited was incorporated by Rox on 25 November 2020, to effect the proposed In-specie Distribution and Priority Offer, and is currently a wholly owned subsidiary of Rox.

7.1 Priority Offer

Cannon intends to seek admission to the Official List by way of the Priority Offer to existing Rox Shareholders with a registered address in Australia, New Zealand or the Cayman Islands on the record date for the Priority Offer, via the issue of 30,000,000 Cannon Shares at an issue price of $0.20 per Cannon Share, together with one free attaching option for every three Cannon Shares

issued under the Priority Offer to raise a total of $6 million (before costs) under a prospectus (**Cannon Prospectus**).

The joint lead managers to the Priority Offer will be Canaccord Genuity (Australia) Limited (**Canaccord**) and Taylor Collison Limited (**Taylor Collison**) (**Joint Lead Managers**).

Refer to Schedule 6 for a summary of the mandate between Cannon and the Joint Lead Managers.

No new investors will be able to participate in the Priority Offer unless there is a shortfall due to existing Rox Shareholders not subscribing for the full $6 million (**Shortfall**). To the extent there is any Shortfall under the Priority Offer, Shortfall will be allocated as agreed between Cannon and the Joint Lead Managers between Rox Shareholders who have subscribed for Cannon Shares above their entitlement under the Priority Offer and new investors that may be introduced by the Joint Lead Managers. The Joint Lead Managers will act on a reasonable efforts basis to place the Shortfall.

Rox notes that Cannon Shares will not be quoted on the ASX pursuant to the Short-Form Prospectus lodged on 26 May 2021 in conjunction with the Notice. In order for the Cannon Shares to commence trading on the ASX, Cannon will be required to lodge the Cannon Prospectus in accordance with section 710 of the Corporations Act, which it expects to do shortly following the despatch of this Notice.

An application for admission of the Cannon Shares to quotation on the ASX will be made within 7 days after the date of the Cannon Prospectus. However, Eligible Rox Shareholders must note the Cannon Shares will not commence trading unless the conditions to the Priority Offer are satisfied. Eligible Rox Shareholders should note that there is no guarantee that the conditions will be satisfied, and even if the above conditions are satisfied, there is no guarantee that the Cannon Shares will commence quotation on the ASX.

Further information on Cannon and the Priority Offer will be available in the Cannon Prospectus.

The Priority Offer is subject to the satisfaction of the Demerger Conditions detailed in Section 5.3.

Shareholders should note the proposed structure and terms of the Priority Offer are, at the date of this Notice, indicative only and that Cannon reserves the right to amend the proposed structure and terms (including offering a larger or smaller number of shares in Cannon). Rox will keep Shareholders updated in respect of the Priority Offer.

Rox will be responsible for funding activities associated with the Nickel Assets until completion of the Priority Offer, at which time Cannon will assume responsibility for all costs associated with the Nickel Assets.

Rox has also agreed to fund Cannon's expenses in respect of the In-specie Distribution and the Priority Offer (e.g. legal and other fees incurred in the preparation of documentation giving effect to the Priority Offer) which will be repaid to Rox from the proceeds of the Priority Offer.

7.2 Plans for Cannon following completion of the In-specie Distribution and Priority Offer

Following completion of the In-specie Distribution and Priority Offer, the activities of Cannon will be to:

(a) continue to progress exploration and pursue possible development of the Nickel Assets, subject to any corporate, divestment or co-funding opportunities involving the Nickel Assets that the Cannon Board considers deliver better value; and

(b) pursue other opportunities in the resources sector including pursuing any acquisition opportunities that may arise.

In the short term, Cannon would be focused on exploration activities at the Nickel Assets. Over the medium term, Cannon would be focused on delivering value to its shareholders through the continued exploration and development of the Nickel Assets and any additional assets that may be acquired at a future point in time.

The information contained in this Section in respect of the potential future prospects of Cannon should be read together with the risk factors set out in Schedule 5.

7.3 Nickel Assets

A summary of the Nickel Assets, the planned exploration programs and proposed exploration budget is detailed in the Independent Technical Assessment Report on the Tenements comprising the Nickel Assets in Schedule 8. Refer to the Solicitor's Report on the Tenements in Schedule 9 for further details regarding the tenure of the Tenements.

Fisher East Project

The Fisher East nickel project (**Fisher East Project**) is located about 430 km north of Kalgoorlie and was discovered by Rox in December 2012. Since then a number of open ended nickel sulphide discoveries have been made with mineral resources defined at Camelwood, Cannonball and Musket of 4.1 million tonnes at 1.86% nickel containing 78,000 tonnes of contained nickel (refer to Rox's ASX announcement dated 5 February 2016).

Cannon will follow up a number of high priority targets, at the Sabre, Mt Tate and Horatio prospects. With the Camelwood, Musket and Cannonball deposits remaining open at depth and excellent targets elsewhere along the ultramafic belt. If the Demerger proceeds, Cannon will explore to increase the resource base and assess its development options.

Refer to the mineral resource table in Section 7.4 below for the mineral resource estimates for the Fisher East Project.

Collurabbie Project

The Collurabbie nickel project (**Collurabbie Project**) is an advanced nickel-gold exploration project located in the highly prospective Northern goldfields region of Western Australia and situated 65 km to the east of the Fisher East Project.

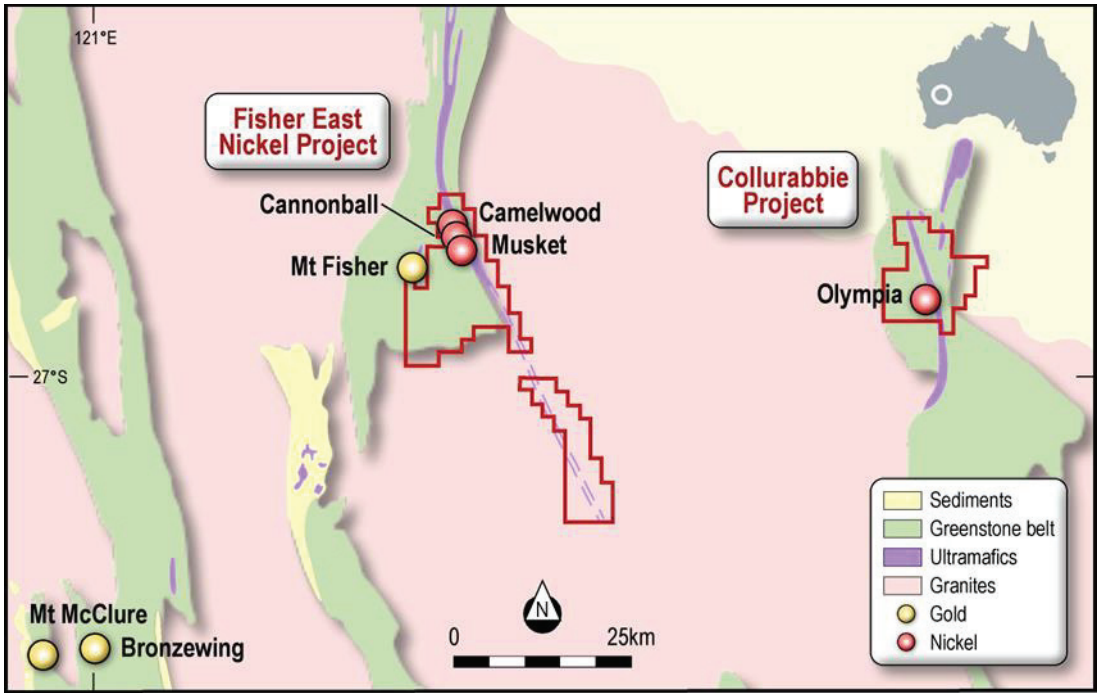
The style of mineralisation at the Collurabbie Project is different to the Fisher East Project, with significant copper and PGE components.

The tenements cover 168 km^2 and also have the potential for gold mineralisation, with a number of intercepts from the Naxos project showing positive signs.

As a stand-alone project, the Collurabbie Project offers significant opportunities for new discoveries and growth. The project also has the potential to add value to the Fisher East Project, being only 65 km to the east. If both projects are brought into production, there is potential for mineralisation from the Collurabbie Project and Fisher East Project to be treated at the same plant.

Refer to the mineral resource table in Section 7.4 below for the mineral resource estimate for the Collurabbie Project.

Figure 3. Location of the Nickel Assets



7.4 Mineral resources estimates for Nickel Assets

Fisher East Project (Reported to the ASX on 5 February 2016, 1.0% Ni cut-off)

Deposit	Category	Tonnes (Mt)	Grade Ni%	Contained Metal Nickel (kt)
Camelwood	Indicated	1.7	2.0	34.0
	Inferred	0.3	1.5	5.0
	TOTAL	**2.0**	**1.9**	**39.0**
Cannonball	Indicated	0.24	2.9	7.0
	Inferred	0.02	1.9	0.3
	TOTAL	**0.26**	**2.8**	**7.3**
Musket	Indicated	1.8	1.7	30.0
	Inferred	0.1	1.5	1.6
	TOTAL	**1.9**	**1.7**	**31.6**
TOTAL	Indicated	3.7	1.9	71.0
	Inferred	0.5	1.5	7.0
	TOTAL	**4.2**	**1.9**	**78.0**

Collurabbie Project (Reported to the ASX on 18 August 2017, 1.0% Ni cut-off)

Deposit	Category	Tonnes (kt)	Grade Au Ni%	Grade Cu%	Grade Co%	Grade Pd g/t	Grade Pt g/t
Olympia	Inferred	573	1.63	1.19	0.082	1.49	0.85

Figures in all tables may not add up exactly due to rounding.

7.5 **Proposed Exploration Budget**

Assuming completion of the Priority Offer, it is currently proposed that the initial exploration program for the Nickel Assets will include a total of approximately $4,000,000 budgeted for the first two financial years as set out in the table below:

Project	Year 1 ($ million)	Year 2 ($ million)	Total ($ million)
Fisher East			
Data compilation	0.01		0.01
Geochemistry	0.025		0.025
Geophysics	0.025		0.025
Drilling & Analysis			
AC Drilling	0.2	0.3	0.5
RC drilling	0.2	0.25	0.45
Diamond drilling	0.8	1.1	1.9
Total Fisher East	1.26	1.65	2.91
Collurabbie			
Data Compilation	0.01		0.01
Geophysics	0.02		0.02
Drilling & Analysis			
AC Drilling	0.1	0.15	0.25
RC drilling	0.1	0.15	0.25
Diamond drilling	0.3	0.35	0.65
Total Collurabbie	0.53	0.65	1.18
TOTAL BUDGET	**1.79**	**2.3**	**4.09**

Note:
* Activities are subject to relevant approvals being received.
** Drilling in year two is dependent on positive results from year one activities.

The above table is a statement of current intentions as of the date of this Notice of Meeting. Due to market conditions and/or any number of other factors, actual expenditure levels may differ significantly to the above estimates. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the way funds are ultimately applied. The Cannon Board reserves the right to alter the way funds are applied on this basis.

7.6 **Cannon's Board and Key Management Personnel**

(a) **Chief Executive Officer – Stephen Lynn**

Mr Lynn is a geologist with over 25 years' experience in exploration and development of a range of commodities including nickel, gold, and base metals. He has worked extensively within Australia, South America and Russia, including 15 years in Western Australia previously for Great Central Mines, Gold Fields and IGO Limited. He has played a key role in the discovery of both nickel and VMS style base metal deposits within Western Australia. Mr Lynn is a member of the Australian Institute of Geoscientists and holds Bachelor of Geology (App) and Master of Economic Geology degrees.

(b) **Cannon Board**

The proposed board of directors of Cannon (**Cannon Board**) is set out below.

Trevor Benson – Non-executive Chairman

Mr Benson has extensive experience as an investment banker and has served on a number of ASX listed company boards as both chairman and director. He has specialised in cross-border transactions within the natural resources sector across China, Africa and South East Asia, and has been an adviser to Chinese State-Owned Enterprises. His specialist activities include corporate funding solutions and off-take agreement negotiations within the natural resources domain. Mr Benson holds a Bachelor of Science Degree from the University of Western Australia. Mr Benson was recently chairman and executive director of Walkabout Resources Limited (ASX: WKT) (from 13 September 2016 to 19 October 2020) and is a non-executive director of Ionic Rare Earths Limited (appointed 1 August 2020).

Alex Passmore – Non-executive Director

Mr Passmore is a qualified geologist with extensive corporate experience. He holds a Bachelor of Science degree with First Class Honours in Geology from the University of Western Australia and a Graduate Diploma of Applied Finance from the Securities Institute of Australia. Mr Passmore is an experienced corporate executive and company director with recent appointments including managing director of Cookatoo Iron NL, non-executive director of Aspire Mining Ltd, non-executive (and executive) director of Equator Resources Ltd/Cobalt One Ltd (which merged with TSX-listed First Cobalt Corp), and CEO of Draig Resources (now Bellevue Gold Ltd). Mr Passmore is currently managing director of Rox Resources Limited.

Richard Bevan – Non-executive Director

Mr Bevan has experience as a managing director/chief executive officer and non-executive director and chairman for listed and unlisted companies. He brings experience in the execution and integration of mergers, acquisitions and other major corporate transactions and has been involved in a number of business areas as diverse as healthcare, construction and engineering, mining technology and information services. His roles within these businesses have included operational management, implementing organic growth strategies and acquisitions and assisting with capital raisings. Mr Bevan is a member of the Australian Institute of Company Directors and is currently a non-executive director of Empired Ltd (ASX: EPD) (non-executive Director since 2008, including period as chairman from 29 November 2016 to 30 June 2018). Mr Bevan was also recently managing director of Cassini Resources Limited (ASX: CZI) (from 10 March 2011 to 5 October 2020).

(c) **Key Management Personnel**

The Cannon Board and CEO will be supported by:

Matthew Worner – Company Secretary

Mr Worner is a Corporate Advisor at Grange Consulting Group Pty Ltd, where he specialises in corporate advisory, company secretarial and financial management services. Mr Worner is a former lawyer, with a broad experience in IPO's, capital raisings, Listing Rules and Corporations Act issues. Mr Worner has held management, company secretarial and board positions with various ASX and AIM listed companies. Mr Worner was previously company secretary for Tap Oil Limited (ASX: TAP) and is currently a director of Talon Petroleum Limited (ASX: TPD).

Silfia Morton – Chief Financial Officer

Ms Morton is a corporate advisor at Grange Consulting Group Pty Ltd and specialises in financial management, financial reporting services, and risk compliance and management. She spent twelve years as senior audit manager at one of the leading international Audit Tax & Advisory firms where she was focused on engagements across the mining, technology and manufacturing sectors. She has experience in both the local and international markets and was responsible for managing the assurance and compliance requirements of a diversified group of large, medium, and small size companies in a range of industries.

7.7 **Information concerning Cannon Shares**

A summary of the more significant rights that will attach to the Cannon Shares is set out below. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of the Cannon Shareholders. Full details of the rights attaching to the Cannon Shares are set out in the Cannon Constitution, a copy of which is available on request.

(a) **General Meetings**

Cannon Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of Cannon.

Cannon Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Cannon Constitution.

(b) **Voting Rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

(i) Each Cannon Shareholder entitled to vote may vote in person or by proxy, attorney or representative;

(ii) on a show of hands, every person present who is a shareholder or a proxy, attorney or representative of a Cannon Shareholder has one vote; and

(iii) on a poll, every person present who is a shareholder or a proxy, attorney or representative of a Cannon Shareholder shall, in respect of each fully paid share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the share, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such shares registered in the Cannon Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend Rights**

Subject to the rights of persons (if any) entitled to shares with special rights to dividends, the directors may declare a dividend in accordance with the Corporations Act and may authorise the payment or crediting by Cannon to Cannon Shareholders of such a dividend. The directors may from time to time pay to Cannon Shareholders any interim dividend that they may determine. Subject to the rights of any preference shareholders and to the rights of the holders of any shares credited or raised under any special arrangement as to the dividend, the dividend as declared shall be payable proportionately according to the amounts paid up or credited as paid up, on the shares, and otherwise in accordance with

Part 2H.5 of the Corporations Act. Interest may not be paid by Cannon in respect of any dividend, whether final or interim.

(d) **Winding-Up**

If Cannon is wound up, the liquidator may, with the authority of a special resolution of Cannon, divide among the Cannon Shareholders in kind the whole or any part of the property of Cannon, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the shareholders or different classes of shareholders. The liquidator may, with the authority of a special resolution of Cannon, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Cannon Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Transfer of Shares**

Generally, shares in Cannon are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the Listing Rules.

(f) **Variation of Rights**

Pursuant to section 246B of the Corporations Act, Cannon may, with the sanction of a special resolution passed at a meeting of Cannon Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not Cannon is being wound up may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

8 Additional Information for Shareholders

8.1 **Current capital structure of Rox**

The capital structure of Rox as at the date of this Notice is:

	Shares	Options
Currently on issue (pre-Consolidation)	2,364,114,177	304,142,857[1]
Total	**2,364,114,177**	**304,142,857**

Notes:

1. Consists of:

    a. 157,142,857 unquoted options with an exercise price of $0.07 expiring on 4 years from the date of their issue;

b. 20,000,000 unquoted options with an exercise price of $0.015 expiring on 31 January 2022;

c. 67,000,000 unquoted options with an exercise price of $0.033 expiring on 30 November 2022;

d. 20,000,000 unquoted options with an exercise price of $0.10 expiring on 31 December 2023;

e. 20,000,000 unquoted options with an exercise price of $0.125 expiring on 31 December 2023; and

f. 20,000,000 unquoted options with an exercise price of $0.150 expiring on 31 December 2023.

8.2 **Post-Consolidation capital structure of Rox**

If Shareholders approve the Consolidation the subject of Resolution 3, the indicative capital structure of Rox post-Consolidation will be as follows:

	Shares	Options
On issue (post-Consolidation)	157,607,612	20,276,194
Total	**157,607,612**	**20,276,194**

8.3 **Indicative capital structure of Cannon**

(a) The indicative capital structure of Cannon post-completion of the In-specie Distribution and the Priority Offer will be:

	Cannon Shares	Cannon Options
Currently on issue[1]	1	-
In-specie Cannon Shares to be transferred to shareholders of Rox pursuant to the In-specie Distribution[2 3]	36,450,000	-
To be retained by Rox[2 3]	8,550,000	-
To be issued to Cannon's directors and management		6,750,000[4]
To be issued under Priority Offer	30,000,000	10,000,000[5]
Total	**75,000,001**	**16,750,000**

Notes:

1. 1 fully paid ordinary share issued at $0.20 held by Rox.

2. These numbers are approximate only.

3. Collectively, these Cannon Shares comprise the 45,000,000 Cannon Shares to be issued to Rox in consideration for the transfer of the Nickel Assets to Cannon.

4. 6,750,000 Cannon Options with an exercise price of $0.30 per Option and an expiry date of 30 June 2024 for which Cannon intends to seek shareholder approval from its current shareholder, to be issued to Cannon's directors and management as follows:

    a. 3,000,000 Cannon Options to Mr Stephen Lynn;

    b. 1,500,000 Cannon Options to Mr Trevor Benson;

    c. 1,500,000 Cannon Options to Mr Alex Passmore; and

    d. 750,000 Cannon Options to Mr Richard Bevan.

5. Unquoted free attaching Cannon Options to be issued under the Priority Offer with an exercise price of $0.30 and an expiry date 3 years from the date of issue.

Shareholders should note this structure is indicative only as at the date of this Notice and that Cannon retains discretion to amend the structure and issue more or less shares or other forms of securities, such as options.

(b) All In-specie Cannon Shares will be distributed on a pro rata basis to all holders of ordinary shares in the capital of Rox on the In-specie Record Date based on the number of Rox Shares held by such holders at the In-specie Record Date. The In-specie Record Date will be set by the Directors after the date Resolution 4 is passed and depends on the satisfaction of the Demerger Conditions. Due to the outstanding Options on issue in Rox and also because of the potential future issue of Shares by Rox before the In-specie Record Date, it is not clear at the date of this Notice how many Rox Shares will be on issue at the In-specie Record Date nor therefore what the exact ratio for the In-specie Distribution will be. Any exercise of Options or further issue of Rox Shares will have the effect of lowering the number of In-specie Cannon Shares distributed for each Rox Share (see Section 5.10 for further details). Any fractions of entitlement will be rounded down to the next whole number.

(c) The return of capital will be effected by a pro rata distribution of the In-specie Cannon Shares, proportionately to all of Rox's Shareholders:

    (i) registered as such as at 5.00pm (AWST) on the In-specie Record Date; or

    (ii) entitled to be registered as a Shareholder in Rox by virtue of a transfer of Shares executed before 5.00pm (AWST) on the In-specie Record Date and lodged with Rox at that time.

8.4 Listing Rule 7.17

Listing Rule 7.17 provides in part that a listed entity, in offering shareholders an entitlement to securities, must offer those securities pro rata or in such other way as, in the ASX's opinion, is fair in all the circumstances. In addition, there must be no restriction on the number of securities which a shareholder holds before this entitlement accrues. The In-specie Distribution satisfies the requirements of Listing Rule 7.17, as the issue of In-specie Cannon Shares is being made to Shareholders on a pro rata basis, and there is no restriction on the number of Shares a Shareholder must hold before the entitlement to the In-specie Cannon Shares accrues.

8.5 Effect of Shareholder approval

(a) General

If Resolutions 4 and 5 are approved, Shareholders (as at the In-specie Record Date) will receive a pro rata beneficial entitlement to In-specie Cannon Shares based on the number of Rox Shares held at the In-specie Record Date. The reduction in Rox's capital and the transfer and distribution of In-specie Cannon Shares will become effective from the In-specie Record Date (provided that after the In-specie Record Date has been set, the Directors have not provided a notice to ASX stating that Rox does not intend to proceed with the Capital Reduction and In-specie Distribution contemplated by Resolution 4). Any fractions of entitlement will be rounded down to the next whole number. Shares in Cannon are to be held subject to the Cannon Constitution which is in a standard form for an ASX listed entity.

The actual dollar value of the proposed return of capital will be an amount equal to the market value of approximately 36,450,000 Cannon Shares less a Demerger Dividend (if any). Please refer to Schedule 3 and Schedule 4 for the pro-forma statements of financial position of both Rox and Cannon which show the indicative financial impact of the In-specie Distribution.

The Board considers the proposed reduction of capital will have no material effect on the interests of Rox Shareholders, except as disclosed in the discussion of the advantages and disadvantages of the reduction set out in Section 5.9.

(b) Ineligible Rox Shareholders

Shareholders on the In-specie Record Date with an address outside of Australia, New Zealand or the Cayman Islands or who will hold a parcel of Cannon Shares worth less than $500 at listing (based on the Priority Offer price and taking into account any allocation to existing Rox Shareholders under the Priority Offer) (together, **Ineligible Rox Shareholders**) will have their pro rata entitlement of Cannon Shares sold by the Joint Lead Managers (the **Nominees**) and the net proceeds paid to the Ineligible Rox Shareholders, with the timing of the sale to coincide with Cannon successfully completing the Priority Offer, being admitted to ASX and a market for Cannon Shares being established on ASX.

The Joint Lead Managers will act on a best efforts only basis to sell the Ineligible Rox Shareholders' Cannon Shares, and will not be liable to the Ineligible Rox Shareholders for any loss suffered as a result.

The release, publication or distribution of the Notice of Meeting and Explanatory Memorandum in jurisdictions other than Australia may be restricted by law or regulation in such other jurisdictions, and persons outside of Australia who come into possession of the Notice of Meeting and Explanatory Memorandum should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations.

The Notice of Meeting and Explanatory Memorandum have been prepared in accordance with Australian law and are subject to Australian disclosure requirements. The information contained in the Notice of Meeting and Explanatory Memorandum may not be the same as that which would have been disclosed if the Notice of Meeting and Explanatory Memorandum had been prepared in accordance with the laws and regulations of a jurisdiction outside of Australia.

Financial information in this Explanatory Memorandum has been prepared in accordance with the classification and measurement principles of the Australian Accounting Standards

and is presented in an abbreviated form and does not contain all the disclosures that are usually provided in an annual report prepared in accordance with the Corporations Act.

(c) **Effect of In-specie Distribution on existing Options**

In accordance with the terms of issue of each of the existing Options in Rox that are outstanding as at the date Resolution 4 is passed and in accordance with Listing Rule 7.22.3, the exercise price of each such outstanding Option in Rox will be automatically reduced by the same amount as the amount returned in relation to each Rox Share.

8.6 **Foreign jurisdictions**

(a) **Permitted Shareholders**

No action has been taken to register or qualify the Cannon Shares or otherwise permit a public offer of such securities in any jurisdiction outside Australia.

Based on the information available to Rox, Shareholders of Rox whose addresses are shown in the register on the In-specie Record Date as being in the following jurisdictions will be entitled to have Cannon Shares issued to them under the In-specie Distribution subject to any qualifications set out below in respect of that jurisdiction:

(i) Cayman Islands;

(ii) New Zealand; and

(iii) any other person or jurisdiction in respect of which Rox reasonably believes that it is not prohibited and not unduly onerous or impractical to issue Shares to a Rox Shareholder with a registered address in such jurisdiction.

Nominees, custodians and other Rox shareholders who hold Rox Shares on behalf of a beneficial owner resident outside Australia, Cayman Islands and New Zealand may not forward this Notice (or any accompanying document) to anyone outside these countries without the consent of Rox.

(b) **Cayman Islands**

No offer or invitation to subscribe for Cannon Shares may be made to the public in the Cayman Islands or from within the Cayman Islands.

(c) **New Zealand**

This Notice is not a New Zealand disclosure document and has not been registered, filed with or approved by any New Zealand regulatory authority under or in accordance with the Financial Markets Conduct Act 2013 or any other New Zealand law. The offer of Cannon Shares under the Demerger is being made to existing shareholders of Rox in reliance upon the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 and, accordingly, this Notice may not contain all the information that a disclosure document is required to contain under New Zealand law.

8.7 **Taxation**

Rox considers the proposed Demerger should qualify for Demerger Relief. On behalf of Shareholders, Rox has applied to the Commissioner of Taxation for a class ruling in connection with the Demerger to confirm this.

(a) **Australian taxation implications for Australian tax resident Shareholders**

On the assumption that a favourable class ruling is obtained from the ATO confirming Demerger Relief is applicable, the following is a general summary of the Australian taxation consequences for Australian resident Shareholders who receive Cannon Shares in respect of the In-specie Distribution. The taxation information below is applicable to Australian residents who hold their Shares on capital account and are not subject to the taxation of financial arrangement provisions contained in Division 230 of the *Income Tax Assessment Act (1997)* (**ITAA 1997**).

The information below is not a complete analysis of all taxation implications relevant to the proposed Demerger and all Shareholders should obtain independent tax advice regarding the income tax and capital gains tax implications specific to their circumstances. Specifically, Shareholders who hold their Shares on revenue account (for example, Shareholders who are share traders and certain institutional investors), and Shareholders who are not residents of Australia for income tax purposes, should all seek independent taxation advice. The information below does not consider the future tax implications associated with holding or selling the Shares or Cannon Shares following implementation of the Demerger.

The information below has been prepared based on the taxation laws, regulations, rulings and administrative guidance and judicial interpretations as at 26 May 2021. It is important to note the ultimate interpretation of taxation law rests with the courts and that the law, and the way the revenue authorities seek to administer the law, may change over time. Accordingly, information below represents an interpretation of existing law based upon generally accepted interpretations of that law.

Australian Tax laws are complicated and subject to legislative and interpretive change both prospectively and (occasionally) retrospectively. Changes in the tax law or interpretation of the tax law subsequent to the date of this Explanatory Statement may alter the tax treatment of the Demerger.

There could also be implications for Shareholders in addition to those described above. The information provided below is general in nature and the individual circumstances of each shareholder may affect the tax implications of the Demerger for that shareholder. Shareholders should seek appropriate independent professional advice that considers the tax implications in respect of their own specific circumstances.

(b) **Demerger tax relief**

The information below has been prepared on the basis that Shareholders who are residents of Australia and who hold their Shares on capital account for tax purposes should be eligible to choose Demerger Relief. Broadly, Demerger Relief ensures that any CGT consequences from the transaction may be deferred, and that the dividend component (if any) of a distribution is not taxed in the hands of the Shareholders.

(c) **CGT Consequences**

The Capital Reduction will give rise to a CGT event for Shareholders representing the distribution of Cannon Shares. The CGT event will happen at the time Rox completes the Capital Reduction.

Shareholders can choose whether or not to obtain demerger roll-over relief.

(d) **Where demerger roll-over relief is chosen**

(i) **Capital gain is disregarded**

If Demerger Relief is available, for Shareholders who choose demerger roll-over relief, any capital gain made arising from the CGT event happening to their Shares under the capital reduction will be disregarded.

(ii) **CGT cost base in Shares and Cannon Shares**

Shareholders will need to apportion the CGT cost base of their original Shares between their original Shares and new Cannon Shares in accordance with the market values of the Shares and Cannon Shares (or a reasonable approximation of these market values) just after the Demerger.

Further information in relation to the apportionment of cost bases will be provided by Rox subsequent to the Demerger being implemented.

(iii) **Time of acquisition of Cannon Shares**

For Shareholders who choose demerger roll-over relief, their Cannon Shares will have the same CGT characteristics as the underlying Shares. For the purposes of determining the availability of the CGT discount on a subsequent sale of Cannon Shares, Cannon Shares should be taken to have been acquired at the time the shareholder acquired their original Shares. Shareholders should seek appropriate tax advice to determine the application of the CGT discount in their specific circumstances.

(e) **Where demerger roll-over relief is not chosen**

(i) **Capital gain is not disregarded**

If Demerger Relief is available, for Shareholders who do not choose to obtain demerger roll-over relief, any capital gain made arising from the capital reduction under the Demerger will not be disregarded.

Shareholders may be entitled to discount CGT treatment. Shareholders should seek appropriate tax advice to determine the application of the CGT discount in their specific circumstances.

If the capital component of the In-specie Distribution does not exceed the CGT cost base in the Shares, no capital gain should be made. Shareholders will not make a capital loss as a result of the return of capital under the Demerger.

(ii) **CGT cost base in Shares and Cannon Shares**

Shareholders who do not choose to obtain demerger roll-over relief should apportion the first element of the CGT cost base in their Shares between those Shares and Cannon Shares received under the Demerger. The method of apportionment is the same as the method for Shareholders who choose to obtain demerger roll-over relief as discussed above.

(iii) **Time of acquisition of Cannon Shares**

Where demerger roll-over relief is not chosen, all of the Cannon Shares transferred to Shareholders will be treated as having been acquired at the time they are transferred to the Shareholders. This will be relevant to Shareholders in determining the availability of the CGT discount on a subsequent sale of Cannon

Shares. Shareholders should seek appropriate tax advice to determine the application of the CGT discount in their specific circumstances.

(f) **Application of demerger tax integrity measures**

In certain circumstances part of an in-specie distribution can be treated as a dividend for Australian tax purposes. The dividend component would be that amount of the In-specie Distribution by which Rox does not reduce its share capital (**Demerger Dividend**). Rox expects to determine the Capital Reduction Amount by reference to the allocation required by the principles set out in a class ruling from the ATO. The Demerger Dividend should therefore be that amount by which the market value of the Cannon Shares arising from the In-specie Distribution exceeds the Capital Reduction Amount. On the basis the ATO confirms the In-specie Distribution qualifies for Demerger Relief, this dividend would not be assessable to Shareholders.

It should be noted, the Commissioner of Taxation may (in certain circumstances) make a determination under section 45B of the *Income Tax Assessment Act 1936* (**ITAA 1936**) to deem certain payments to be treated as taxable unfranked dividends for taxation purposes. Having regard to the circumstances of the Demerger, Rox does not consider the Commissioner should apply section 45B to the proposed Demerger. Rox is also seeking confirmation from the ATO on this in a class tax ruling from the ATO.

For completeness, the following is an outline of the key potential Australian income tax implications which may differ from the above described outcomes for Australian resident Shareholders who hold their Shares on capital account should the Commissioner make a determination under section 45B in respect of the Demerger.

All or part of the Capital Reduction Amount may be treated as an unfranked dividend. This amount would be assessable income for Australian resident Shareholders or subject to dividend withholding tax for non-resident Shareholders (generally at the rate of 30% on the gross amount, subject to any applicable double tax agreement).

(g) **Taxation implications for Rox**

The transfer of shares in Cannon from Rox to Shareholders is not expected to have any material adverse tax implications for Rox on the basis that Demerger Relief applies.

8.8 **Expenses of Demerger and Priority Offer**

The estimated total expenses of the Demerger are set out below:

Item	$
Legal fees	150,000
Company secretarial	95,000
Taxation advice	84,000
Recruitment fees	50,000
Accounting advice	12,000
ASX fees	5,000
Other (incl. contingency)	44,000
Total	**440,000**

The estimated total expenses of the Priority Offer are set out below:

Item	$
Legal fees	100,000
Independent Technical Assessment Report fees	40,000
Investigating Accountant fees	14,000
ASIC lodgement fee	3,206
ASX listing fee	82,333
Transaction management fees	50,000
Share Registry, printing and miscellaneous costs	20,000
Joint Lead Managers fees	390,000
Total	**699,539**

8.9 **Section 256C of the Corporations Act**

The proposed reduction of capital by way of the In-specie Distribution is an equal capital reduction.

Under section 256B of the Corporations Act, Rox may only reduce its capital if it:

(a) is fair and reasonable to Shareholders as a whole;

(b) does not materially prejudice Rox's ability to pay its creditors; and

(c) is approved by Shareholders in accordance with section 256C of the Corporations Act.

The Directors believe that the In-specie Distribution is fair and reasonable to Shareholders as a whole and does not materially prejudice Rox's ability to pay its creditors. Under the proposed reduction of capital, each Rox Shareholder is treated equally and in the same manner since the terms of the reduction of capital are the same for each Rox Shareholder. The In-specie Distribution is on a pro rata basis, and the proportionate ownership interest of each Rox Shareholder remains the same before and after the In-specie Distribution. Further, the Directors consider that the In-specie Distribution will not result in Rox being insolvent at the time or after the In-specie Distribution.

In accordance with the Corporations Act:

(a) the proposed reduction is an equal reduction and requires approval by an ordinary resolution passed at a general meeting of Rox Shareholders;

(b) this Explanatory Memorandum and previous ASX announcements set out all information known to Rox that is material to the decision on how to vote on Resolution 4; and

(c) Rox has lodged with ASIC a copy of this Notice of Meeting and accompanying documentation.

8.10 **Risk Factors**

On successful completion of the In-specie Distribution, Eligible Rox Shareholders will become shareholders in Cannon and should be aware of the general and specific risk factors which may affect Cannon and the value of its securities. These risk factors are set out in Schedule 5.

8.11 **Rox Directors' Interests**

The table below sets out the number of securities in Rox held by the Rox Directors as at the date of this Notice of Meeting:

Rox Directors' interests in Rox

Name	Shares	Options
Alex Passmore and his associates	32,927,245	60,000,000
Stephen Dennis and his associates	12,127,245	10,000,000
John Mair and his associates	1,618,164	10,000,000

The table below sets out the number of Cannon Shares the Rox Directors are likely to have an interest in if Resolution 4 is passed and implemented:

Rox Directors' interests in Cannon

Name	Cannon Shares	Cannon Options
Alex Passmore and his associates	507,673	1,500,000
Stephen Dennis and his associates	186,978	-
John Mair and his associates	24,949	-

8.12 **ASX Confirmations**

Cannon has received in-principle confirmation from ASX (among other matters) that (subject to ASX's discretion to make a different decision), upon Cannon's formal application to ASX, ASX would be likely to do the following:

(a) confirm that the In-specie Cannon Shares will not be subject to the escrow requirements in Listing Rule 9.1; and

(b) confirm that non-affiliated Rox Shareholders who received In-specie Cannon Shares in Cannon through the In-specie Distribution will not be excluded for the purposes of Cannon demonstrating satisfaction of the spread requirements in Listing Rule 1.1 condition 8.

Subject to the above conditions being met, the In-specie Cannon Shares will be freely tradeable upon the listing of Cannon on ASX.

ASX has also provided Rox with in-principle advice confirming that Shareholders are not required to approve the transfer of the Nickel Assets from Rox to Cannon under Listing Rule 11.4.

It is expected that the approximately 8,550,000 Cannon Shares to be retained by Rox will be subject to ASX imposed escrow restrictions under Chapter 9 of the Listing Rules.

8.13 Competent Person's statement

Rox has prepared the meeting materials based on information available to it at the time of preparation. No representation or warranty, express or implied, is made as to the fairness, accuracy or completeness of the information, opinions and conclusions contained in the meeting materials. To the maximum extent permitted by law, Rox, its related bodies corporate (as that term is defined in the Corporations Act) and the officers, directors, employees, advisers and agents of those entities do not accept any responsibility or liability including, without limitation, any liability arising from fault or negligence on the part of any person, for any loss arising from the use of the meeting materials or its contents or otherwise arising in connection with it.

Exploration results

The information in this document that relates to previous exploration results was prepared and first disclosed under the JORC Code 2012 and was previously disclosed to ASX on 24 September 2019, 7 November 2019, 19 November 2019 and 6 May 2020, 23 June 2020, 26 June 2020, 28 July 2020, 1 September 2020 and 7 October 2020 or has been cross-referenced in the text to the date of original announcement to ASX. Rox confirms that it is not aware of any new information or data that materially affects the information included in those announcement.

Mineral resource statements

The information in this report that relates to gold mineral resources for the Youanmi Gold 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.

The information in this report that relates to gold mineral resources for the Mount 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 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.

8.14 Lodgement with ASIC

A final copy of this Notice of Meeting and Explanatory Memorandum has been lodged with ASIC and ASX. Neither ASIC, ASX nor any of their respective officers takes any responsibility for the contents of this document.

Rox has lodged with ASIC a copy of this Notice and Explanatory Memorandum in accordance with section 256C(5) of the Corporations Act. ASIC and its officers take no responsibility for the contents of this Notice or the merits of the transaction to which this Notice relates.

If the Resolution 4 passed, the reduction of capital is required to take effect in accordance with a timetable approved by ASX. Please refer to Section 1.7 for the proposed indicative timetable for completion of the Demerger, which is subject to change by Rox and any requirements of the Listing Rules and the Corporations Act.

8.15 Other Material Information

There is no information material to the making of a decision by a Shareholder in Rox whether or not to approve Resolution 4 (being information that is known to any of the Directors and which has not been previously disclosed to Shareholders in Rox) other than as disclosed in this Notice of Meeting and Explanatory Memorandum and all relevant Schedules.

9 Resolution 4 – Approval for an equal reduction of capital and In-specie Distribution of Cannon Shares

9.1 General

Resolution 4 seeks the approval of Shareholders for the purposes of sections 256B and 256C of the Corporations Act and for all other purposes, to reduce the issued share capital of Rox by an amount equivalent to the market value of approximately 36,450,000 Cannon Shares less a Demerger Dividend (if any) by Rox making a pro-rata in-specie distribution of approximately 36,450,000 Cannon Shares to all holders of ordinary shares in Rox at the In-specie Record Date.

This is equivalent to approximately:

(a) 1 Cannon Share for every 4 Shares held as at the In-specie Record Date, if Shareholder approval of the Consolidation is obtained under Resolution 3.

(b) 1 Cannon Share for every 64 Shares held as at the In-specie Record Date, in the event Shareholder's do not approve the Consolidation under Resolution 3.

Further information regarding the In-specie Distribution is contained in Section 5.

Resolution 4 is an ordinary resolution.

Resolution 4 is conditional on Shareholders approving Resolution 5. This means that in order to implement the In-specie Distribution, Shareholders need to approve each of Resolutions 4 and 5.

9.2 Requirements under section 256C

The proposed reduction of capital by way of the In-specie Distribution is an equal capital reduction and (if so determined) partly by way of Demerger Dividend.

Under Section 256B of the Corporations Act, Rox may only reduce its capital if it:

(a) is fair and reasonable to Shareholders as a whole;

(b) does not materially prejudice Rox's ability to pay its creditors; and

(c) is approved by Shareholders in accordance with Section 256C of the Corporations Act.

For the reasons set out in this Explanatory Memorandum, the Directors believe that the In-specie Distribution is fair and reasonable to Shareholders as a whole and does not materially prejudice Rox's ability to pay its creditors. Under the proposed In-specie Distribution, each Shareholder is treated equally and in the same manner since the terms of the In-specie Distribution are the same for each Shareholder. The In-Specie Distribution is on a pro rata basis, and the proportionate

ownership interest of each Shareholder remains the same before and after the In-Specie Distribution. Further, the Directors consider that the In-Specie Distribution will not result in Rox being insolvent at the time or after the In-Specie Distribution.

In accordance with the Corporations Act:

(a) the proposed reduction is an equal reduction and requires approval by an ordinary resolution passed at a general meeting of Shareholders;

(b) this Explanatory Memorandum and previous ASX announcements set out all information known to Rox that is material to the decision on how to vote on Resolution 4; and

(c) Rox has lodged with ASIC a copy of this Notice of Meeting and accompanying documentation.

9.3 Cannon not immediately listed

Cannon is an unlisted Australian public company. The Cannon Shares will not be listed on ASX or any other securities exchange at the time of the In-Specie Distribution. In the near term, following the In-Specie Distribution, Cannon is intending to apply to list and raise capital on ASX. There is no guarantee that the In-specie Distribution and Priority Offer will be successful.

9.4 Directors Recommendations

The Directors recommendations are outlined in Section 5.12.

10 Resolution 5 – Approval to amend Constitution

10.1 General

It is proposed that the Constitution be updated to allow the In-specie Distribution to occur. Under the Corporations Act, a member must give consent to becoming a member of a company. Accordingly, in order to give effect to the In-specie Distribution, each Shareholder must give its consent to becoming a member of Cannon and for Rox to be its agent in the execution of any documents required to give effect to the In-specie Distribution. The Constitution does not currently contain such an express consent.

Resolution 5 seeks Shareholder approval for the modification of the constitution in accordance with section 136 of the Corporations Act.

A copy of the modified Constitution is available on request from the Company Secretary

The modified Constitution will be effective from the close of the Meeting.

Resolution 5 is a special resolution and therefore requires 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).

Resolution 5 is conditional on Shareholders approving Resolution 4. This means that in order to implement the changes to the Constitution, Shareholders need to approve each of the Resolutions 4 and 5.

10.2 Proposed Amendment

The Constitution of Rox is proposed to be amended by inserting the following immediately after existing Article 20.6:

20.7 Power to reduce capital

Rox may return capital by a reduction of capital in any manner, including by distributing securities (including shares) of any other body corporate to Shareholders.

20.8 Distribution of specific assets

Where Rox reduces its share capital by way of a distribution of shares or other securities in another body corporate:

(a) *the Shareholders are deemed to have agreed to become members of that body corporate and are bound by the constitution of that body corporate;*

(b) *each Shareholder appoints Rox or any of the Directors as its agent to execute any transfer of shares or other securities, or other document required to give effect to the distribution of shares or other securities to that Shareholder; and*

(c) *any binding instruction or notification between the Shareholder and Rox (including any instructions relating to payment of dividends or to communications from Rox) will be deemed to be a similarly binding instruction or notification to the other body corporate until that instruction or notification is revoked or amended in writing addressed to the other body corporate (to the maximum extent permitted under Australian law, or the other body corporate's constitution).*

20.9 Ancillary powers regarding distributions

Instead of making a distribution or issue of specific assets, shares, debentures or other securities to a particular Shareholder, the Directors may make a cash payment to that Shareholder, or allocate some or all of the assets, shares, debentures or other securities to a trustee or nominee to be sold (at the Shareholders' risk and expense, including as to brokerage and withholding tax) on behalf of, and for the benefit of, or in respect of, that Shareholder, if:

(a) *the distribution or issue would otherwise be illegal or unlawful;*

(b) *the distribution or issue would give rise to parcels of securities which do not constitute a Marketable Parcel;*

(c) *in the Directors' discretion, the distribution or issue would be unreasonable having regard to:*

(i) *the number of Shareholders in the place where the distribution or issue would be made; and/or*

(ii) *the number and value of securities that would be offered; and/or*

(iii) *the cost of complying with the legal requirements, and requirements of a regulatory authority, in the place; or*

(d) *the Shareholder so agrees.*

10.3 **Reasons for Proposed Amendment**

Under the Corporations Act, a member must give consent to becoming a member of a company. Accordingly, in order to give effect to the In-specie Distribution, each Shareholder must give its consent to becoming a member of Cannon and for Rox to be its agent in the execution of any documents required to give effect to the In-specie Distribution. The Constitution does not currently contain such an express consent.

Approval is being sought from Shareholders for the insertion of clauses 20.9 and 20.10 of the Constitution so that where Rox reduces its share capital by way of a distribution of shares or other securities in another body corporate (as it is doing under the In-specie Distribution):

(a) Shareholders are deemed to have agreed to become members of that body corporate and are bound by the constitution of that body corporate;

(b) each of the Shareholders appoints Rox or any of the Directors as its agent to execute any transfer of shares or other securities, or other document required to give effect to the distribution of shares or other securities to that Shareholder; and

(c) any binding instruction or notification between the Shareholder and Rox will be deemed to be a similarly binding instruction or notification to Cannon.

Consenting to become a member of Cannon does not impose any specific liabilities upon a Shareholder, nor does it prohibit a Shareholder from subsequently selling or otherwise dealing with the Cannon Shares to be received under the In-specie Distribution.

Additionally, approval is being sought from Shareholders for the insertion of clause 20.9 of the Constitution so that on a distribution the Directors may determine to make a cash payment to certain Shareholders rather than a distribution of specific assets. This facilitates the proposed treatment of Ineligible Rox Shareholders in Section 8.5(b) and ensures that Rox will be able to sell the Cannon Shares to which Ineligible Rox Shareholders would otherwise be entitled and distribute the proceeds to the respective Ineligible Rox Shareholders.

No other changes are being made to the Constitution.

10.4 **Directors recommendation**

The Directors recommendations are outlined in Section 5.12.

Schedule 1

Definitions

$ means Australian dollars.

Admission means the date Cannon is admitted to the official list of ASX.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ABN 98 008 624 691 or Australian Securities Exchange, as the context requires.

ATO means the Australian Taxation Office

AWST means Australian Western Standard Time as observed in Perth, Western Australia.

Board means the board of directors of Rox.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Canaccord means Canaccord Genuity (Australia) Limited.

Cannon or **Cannon Resources Limited** means Cannon Resources Limited (ACN 646 149 902).

Cannon Board means the board of directors of Cannon.

Cannon Constitution means the constitution of Cannon.

Cannon Option means an option to acquire a Cannon Share.

Cannon Prospectus has the meaning given in Section 7.1 of the Explanatory Memorandum.

Cannon Share means a fully paid ordinary share in the capital of Cannon.

Cannon Shareholders means a holder of a Cannon Shares.

Capital Raising means the capital raising conducted by Cannon for $6,000,000 (before costs) through a Prospectus.

Capital Reduction has the meaning given in Section 5.2 of the Explanatory Memorandum.

Capital Reduction Amount means an amount equal to the market value of approximately 36,450,000 Cannon Shares less a Demerger Dividend (if any).

Closely Related Party of a member of the Key Management Personnel means:

(a) a spouse or child of the member;

(b) a child of the member's spouse;

(c) a dependent of the member or the member's spouse;

(d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;

(e) a company the member controls; or

(f) a person prescribed by the *Corporations Regulations 2001* (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Collurabbie Project has the meaning given in Section 7.3 of the Explanatory Memorandum.

Consideration Shares means the 45,000,000 Cannon Shares to be received by Rox in consideration for the Nickel Assets.

Consolidation has the meaning given in Section 4.1 of the Explanatory Memorandum.

Constitution means Rox's constitution.

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

Demerger means the transfer of the Nickel Assets from Rox to Cannon and the In-specie Distribution.

Demerger Agreement means the Demerger Agreement between Rox and Cannon as summarised in Schedule 6.

Demerger Conditions has the meaning given in Section 5.3 of the Explanatory Memorandum.

Demerger Dividend has the meaning given in Section 8.7(f) of the Explanatory Memorandum.

Demerger Relief means confirmation from the ATO that:

(a) the shareholders of Rox may be eligible to choose to receive roll-over under Division 125 of the *Income Tax Assessment Act 1997* (Cth) in respect of the proposed demerger; and

(b) the Commissioner for Taxation will not make a determination under section 45B(3)(a) or 45B(3)(b) of the *Income Tax Assessment Act 1936* (Cth) in respect of Rox Shareholders participating in the In-specie Distribution.

Directors or **Rox Directors** means the current directors of Rox.

Duty means any transfer, transaction or registration duty or similar charge imposed by any government or government department, a governmental or semi-governmental or judicial person (whether autonomous or not), charged with the administration of any applicable law, and includes any interest, fine, penalty, charge or other amount imposed in respect of any of them.

Eligible Rox Shareholder means a Shareholder that is not an Ineligible Rox Shareholder.

Equity Security has the meaning given in the Listing Rules.

Explanatory Memorandum means the explanatory statement accompanying and forming part of the Notice.

Fisher East Project has the meaning given in Section 7.3 of the Explanatory Memorandum.

General Meeting or **Meeting** means the meeting convened by the Notice.

Gold Assets has the meaning given in Section 5.1 of the Explanatory Memorandum.

GST means goods and services tax as defined in the *A New Tax System (Goods and Services Tax) Act 1999* or similar value added tax levied or imposed in Australia.

Hawke's Point means Hawke's Point (RRL) L.P.

Ineligible Rox Shareholder has the meaning given in Section 8.5(b) of the Explanatory Memorandum.

In-specie Distribution has the meaning given in Section 5.1 of the Explanatory Memorandum.

In-specie Cannon Shares means Cannon Shares comprising 81% of the issued capital of Cannon to be distributed to Eligible Rox Shareholders under the In-specie Distribution.

In-specie Record Date means the date set on or after the date Resolution 4 is passed by the Directors to determine the entitlements of Shareholders to participate in the In-specie Distribution.

Internal Restructure has the meaning given in Section 5.1 of the Explanatory Memorandum.

ITAA 1936 has the meaning given in Section 8.6 of the Explanatory Memorandum.

ITAA 1997 has the meaning given in Section 8.6 of the Explanatory Memorandum.

Joint Lead Managers has the meaning given in Section 7.1 of the Explanatory Memorandum.

JORC Code means the Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 Edition.

Key Management Personnel or **KMP** has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of Rox, or if Rox is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of Rox, or if Rox is part of a consolidated entity, of an entity within the consolidated group.

Listing Rules means the Listing Rules of ASX.

Nickel Assets means the Tenements comprising the Fisher East and Collurabbie Projects.

Nominees has the meaning given in Section 8.5(b) of the Explanatory Memorandum.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Memorandum and the Proxy Form.

Marketable Parcel has the meaning defined in the Listing Rules.

Mount Fisher Project has the meaning given in Section 6.1 of the Explanatory Memorandum.

Official List means the official list of ASX.

Option means an option to acquire a Share.

OYG JV has the meaning given in Section 5.6 of the Explanatory Memorandum

Placement has the meaning given in Section 3.1 of the Explanatory Memorandum.

Placement Options has the meaning given in Section 3.1 of the Explanatory Memorandum.

Placement Securities has the meaning given in Section 3.1 of the Explanatory Memorandum.

Placement Shares has the meaning given in Section 3.1 of the Explanatory Memorandum.

Priority Offer has the meaning given in Section 5.1 of the Explanatory Memorandum.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions given in the Notice.

Rox or **the Company** means Rox Resources Limited (ACN 107 202 602).

Securities mean all Equity Securities of Rox.

Share means a fully paid ordinary share in the capital of Rox.

Shareholder or **Rox Shareholder** means a registered holder of a Share.

Shortfall has the meaning given in Section 7.1 of the Explanatory Memorandum.

Short Form Prospectus has the meaning given in Section 1.1 of the Explanatory Memorandum.

Spread means the number of Shareholders given in Listing Rule 1.1, condition 8.

Subscription Agreement has the meaning given in Section 3.3.

Taylor Collison means Taylor Collison Limited.

Tenements or **Cannon Tenements** means the tenements detailed in Schedule 7.

VMC has the meaning given in Section 5.6 of the Explanatory Memorandum.

Youanmi Gold Project has the meaning given in Section 6.1 of the Explanatory Memorandum.

Youanmi Shear Zone has the meaning given in Section 6.1 of the Explanatory Memorandum.

Schedule 2

Terms and Conditions of Placement Options

The following terms and conditions apply to the Options (each an **Option**):

(a) Each Option will give the holder the right, but not the obligation, to subscribe for one fully paid ordinary share in the Company (a **Share**) in consideration for payment of the Exercise Price (as defined below) in accordance with the terms set out in this Schedule 2.

(b) The exercise price, being the amount payable on exercise of one Option, is $0.07 (**Exercise Price**).

(c) Each Option is exercisable within the exercise period (**Exercise Period**) commencing upon the issue of the Option and ending at 5:00pm (Perth time) on the four year anniversary of the date of issue of that Option (**Expiry Date**). Any Options not exercised during the Exercise Period will automatically lapse upon the Expiry Date.

(d) Options may be exercised by the holder during the Exercise Period by the holder:

(1) paying to the Company the amount (in Australian currency) of the Exercise Price multiplied by the number of Options being exercised;

(2) giving the Company a notice of exercise of that number of Options (in such form as is acceptable to the Company (acting reasonably)); and

(3) returning to the Company any option certificate or certificates for those Options,

following which:

(4) the Company must issue the Shares pursuant to the exercise of the relevant Options, free from any securities, liens, charges, encumbrances or pre-emption and ranking in full for all voting rights, dividends and other distributions;

(5) the Company must apply to the ASX for official quotation of the Shares at its own cost and as soon as practicable after the issue of the Shares following the exercise of such Options; and

(6) upon the quotation of the Shares issued pursuant to the exercise of the Options, the Company must give at the election of the holder of the Options, a CHESS holding statement or issuer-sponsored holding statement in respect of the Shares.

(e) There will be no entitlements inherent in the Options to participate in new issues of capital that may be offered to Shareholders during the currency of the Options.

(f) If the Company completes a bonus issue of securities, the number of Shares over which the Options are exercisable shall be increased by the number of Shares that the option holder would have received if the Options had been exercised before the Record Date for the bonus issue.

(g) In the event of a reorganisation, including the consolidation, subdivision, reduction or return, of issued capital of the Company by the Expiry Date, all rights of an Option holder are to be changed in a manner consistent with the ASX Listing Rules.

(h) If there is a pro rata issue (other than a bonus issue), the exercise price of the Options shall be adjusted in the manner provided for in the ASX Listing Rules (including ASX Listing Rule 6.22 as at the date of these option terms).

(i) Other than as expressly provided under these terms and subject to compliance with the ASX Listing Rules, there is no right to a change in the exercise price of the Options or to the number of Shares over which the Options are exercisable.

(j) Shares issued pursuant to an exercise of Options will rank, from the date of issue, in all respects equally with existing Shares.

(k) An Option does not confer any rights to dividends or to notice of, or to vote or attend at, a meeting of Shareholders.

(l) The Company must take all action necessary (including, without limitation, the issuance of a Cleansing Statement, or the issuance of a prospectus under Chapter 6D of the Corporations Act or obtaining exemptions from or modifications to the Corporations Act from ASIC) to ensure that an offer of the Shares issued on exercise of an Option for sale will not require disclosure under section 707(3) of the Corporations Act.

(m) The Options shall be freely assignable and transferable without the Company's consent, subject to the provisions of Chapter 6D of the Corporations Act.

(n) The Company will not seek official quotation of the Options. However, in accordance with the ASX Listing Rules, the Company will apply for, and take all action necessary to procure, official quotation of all Shares issued and allotted pursuant to the exercise of Options in accordance with the ASX Listing Rules.

(o) The terms and conditions of the Options are governed by the laws of Western Australia.

Schedule 3

Pro Forma and Historical Financial Information – Rox

1. Financial Information

1.1 Introduction

The financial information in this Schedule 3 consists of:

(a) The historical financial information, which comprises the:

(i) historical consolidated statements of financial position of Rox as at 31 December 2020, 30 June 2020, 30 June 2019 and 30 June 2018; and

(ii) historical consolidated statements of profit or loss and other comprehensive income of Rox and historical consolidated statements of cash flows of Rox for the half year ended 31 December 2020 and years ended 30 June 2020, 30 June 2019 and 30 June 2018,

together referred to as the **Historical Financial Information**; and

(b) the pro forma historical financial information, which comprises the pro forma historical consolidated statement of financial position of Rox as at 31 December 2020 (the **Pro Forma Historical Financial Information**),

collectively referred to as the **Financial Information.**

The Pro Forma Historical Financial Information has been prepared based on the unaudited Historical Financial Information as at 31 December 2020, adjusted for the pro forma transactions as detailed in Section 1.3, as if they had occurred as at 31 December 2020.

The Directors are responsible for the inclusion of the Financial Information in the Notice.

The purpose of the inclusion of the Financial Information is to illustrate the effects of the following events occurring:

(a) Completion of the Demerger;

(b) Establishment and draw-down on the Rox Expenses Loan; and

(c) Repayment of Rox Expenses Loan.

The information presented in this Section 1 should be read in conjunction with and other information contained in the Notice, and the latest audited financial statements plus announcements made to the ASX since 30 June 2020.

1.2 Basis of Preparation

The Historical Financial Information has been prepared in accordance with the recognition and measurement requirements of Australian Accounting Standards (including Australian Accounting Interpretations) and the accounting policies adopted by Rox.

The Pro Forma Historical Financial Information has been prepared derived from the Historical Financial Information, and assumes the completion of the pro forma adjustments, as detailed in

Section 1.3 as if those adjustments had occurred as at 31 December 2020. The Pro Forma Historical Financial Information has been prepared in accordance with and should be read in conjunction with the accounting policies detailed in the Company's Annual Report for the year ended 30 June 2020.

The Financial Information contained in this Schedule 3 is presented in an abbreviated form and does not contain all the disclosures that are provided in a financial report prepared in accordance with the Corporations Act and Australian Accounting Standards and Interpretations.

The Historical Financial Information of Rox has been extracted from the financial information of the Company for the half year ended 31 December 2020 (unaudited), and the financial statements for the year ended 30 June 2020, which was audited by Pitcher Partners BA&A Pty Ltd and the years 30 June 2019 and 30 June 2018, which were audited by Ernst & Young. Pitcher Partners BA&A Pty Ltd issued an unmodified audit opinion dated 29 September 2020, and Ernst & Young issued unmodified audit opinions dated 26 September 2019 and 12 September 2018 respectively.

1.3 **Pro Forma Historical Financial Information Adjustments**

The Pro Forma Historical Financial Information has been compiled by adjusting the Consolidated Statement of Financial Position of the Company as at 31 December 2020 and reflecting the impact of the following items and pro forma transactions which are yet to occur, but are proposed to occur immediately before or following completion of the Demerger.

The following pro forma adjustments have been made:

(a) the transfer of the Nickel Assets from Rox to Cannon in exchange for the Consideration Shares;

(b) the distribution and transfer of the In-specie Cannon Shares to existing shareholders of Rox. Following the In-specie Distribution, Cannon will no longer be a subsidiary of Rox;

(c) the payment of cash costs related to the Priority Offer by the Company deemed to be loaned to Cannon interest free, estimated to be approximately $309,539 (**Rox Expenses Loan**);

(d) the repayment by Cannon, within 5 Business Days of completion of the Priority Offer, of the Rox Expenses Loan;

(e) the payment of Demerger expenses by Rox, estimated to be $440,000; and

(f) the completion of a $11,000,000 placement undertaken in March 2021 before costs of $246,484, for a net settlement amount of $10,753,516.

(a) – (e) together having the effect of achieving the following events occurring:

(i) Completion of the Demerger;

(ii) Establishment and draw-down on the Rox Expenses Loan; and

(iii) Repayment of Rox Expenses Loan.

The pro forma cash and cash equivalents in the Pro Forma Financial Information takes into account the transactions above, however does not include the impact of net operating costs of the Company since 31 December 2020 to the date of this Notice of Meeting (excluding the costs of the Demerger as this have been recognised in pro forma adjustment (e) above). The transfer of the Nickel Assets within the wholly owned group preceding the Demerger, as described in (a) above, had no cash impact.

Other assumptions

The completion of the In-Specie Distribution is subject to and will not proceed unless all of the Demerger Conditions have been satisfied or waived.

Rox has sought a ruling from the ATO in respect of the grant of Demerger Relief in respect of the intended distribution of approximately 36,450,000 Cannon Shares to Eligible Rox Shareholders.

Furthermore, in accordance with the Demerger Agreement, while Cannon remains responsible for all taxes and associated liabilities arising in connection with the Priority Offer, Rox is responsible for all taxes and associated liabilities arising in connection with the Demerger.

1.4 Historical Consolidated Statements of Profit or Loss and Other Comprehensive Income

Revenue and other income	Half-year ended 31 Dec 2020 unaudited $	30 June 2020 $	30 June 2019 $	30 June 2018 $
Interest income	2,637	5,072	146,647	258,496
Other income	37,500	65,235	348,653	-
Finance income	143,649	266,013	241,137	219,215
	183,786	336,320	736,437	477,711
Expenses				
Corporate expenses	(372,960)	(871,984)	(713,067)	(648,557)
Short-term lease and occupancy related expenses	(170,639)	(195,771)	(178,982)	(165,868)
Salaries and wages	(359,133)	(911,445)	(675,600)	(609,441)
Superannuation	(61,456)	(90,832)	(85,337)	(81,596)
Restructure expenses	(139,294)	-	-	-
Exploration expenditure expensed	(3,679,781)	(4,870,758)	(1,640,078)	(1,914,716)
Share-based payments	(1,348,860)	(688,900)	(97,465)	(279,489)
Finance loss	(433,190)	-	-	-
Depreciation	(12,616)	(19,433)	(17,619)	(17,990)
Fair value movement on equity instruments at fair value through profit or loss	86,722	(155,349)	(117,818)	-
Loss on plant and equipment sales	-	(1,428)	(1,287)	-
LOSS BEFORE INCOME TAX	**(6,307,421)**	**(7,469,580)**	**(2,790,816)**	**(3,239,946)**
Income tax benefit/(expense)	-	-	-	
LOSS AFTER INCOME TAX	**(6,307,421)**	**(7,469,580)**	**(2,790,816)**	**(3,239,946)**
Other comprehensive income				
Other comprehensive income net of tax	-	-	-	**-**
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD / YEAR	**(6,307,421)**	**(7,469,580)**	**(2,790,816)**	**(3,239,946)**

The above historical consolidation statements of profit or loss and other comprehensive income are to be read in conjunction with Sections 1.2 and 1.8.

1.5 Historical Consolidation Statements of Cash Flows

	Half year ended 31 Dec 2020 unaudited $	30 June 2020 $	30 June 2019 $	30 June 2018 $
CASH FLOWS FROM OPERATING ACTIVITIES				
Interest Received	2,637	13,313	163,080	233,822
Government Grants	37,500	62,500	-	-
Payments to Suppliers and Employees	(1,255,865)	(1,946,319)	(1,719,769)	(1,416,328)
Expenditure on Mineral Interests	(4,448,143)	(4,805,603)	(1,390,494)	(1,995,175)
Other	-	(10,366)	-	-
Net Cash Used in Operating Activities	**(5,663,871)**	**(6,686,475)**	**(2,947,183)**	**(3,177,681)**
CASH FLOWS FROM INVESTING ACTIVITIES				
Settlement of Legal Dispute in Relation to Sale of Mineral Properties	-	-	-	(331,215)
Proceeds from Sale of Financial Assets	154,608	10,335	-	-
Purchase of Mineral Properties	-	(2,153,716)	(3,513,720)	-
Advances to Joint Venture Partner	-	(123,657)	-	-
Expenditure on Behalf of Joint Venture Partner	-	(119,007)	-	-
Purchase of Property, Plant and Equipment	(32,190)	(13,885)	(18,160)	-
Proceeds on Sale of Equipment	-	200	200	-
Security Deposits	-	-	13,271	4,165
Net Cash Provided by / (Used in) Investing Activities	**122,418**	**(2,399,730)**	**(3,518,409)**	**(327,050)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from Issue of Shares	222,000	16,747,683	-	-
Share Issue Costs	-	(1,006,310)	-	-
Net Cash Provided by Financing Activities	**222,000**	**15,741,373**	**-**	**-**
Net Increase/(Decrease) in Cash and Cash Equivalents	(5,319,453)	6,655,168	(6,465,592)	(3,504,731)
Cash and Cash Equivalents at Beginning of Period	**10,567,910**	**3,912,742**	**10,378,334**	**13,883,065**
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**5,248,457**	**10,567,910**	**3,912,742**	**10,378,334**

The above historical consolidated statements of cash flows are to be read in conjunction with Sections 1.2 and 1.8.

1.6 Historical Consolidation Statements of Financial Position

	As at 31 Dec 2020 unaudited $	As at 30 June 2020 $	As at 30 June 2019 $ *restated	As at 30 June 2018 $
ASSETS				
Current Assets				
Cash and cash equivalents	5,248,457	10,567,910	3,912,742	10,378,334
Receivables	109,388	205,848	45,065	47,988
Prepayments	42,607	14,103	3,473	3,589
Other financial assets	-	67,886	230,835	-
Security deposit	-	-	-	13,271
Total Current Assets	**5,400,452**	**10,855,747**	**4,192,115**	**10,443,182**
Non-Current Assets				
Other financial assets	3,565,333	3,037,528	2,652,508	-
Plant and equipment	3,899,132	3,879,559	2,786,735	37,701
Capitalised exploration expenditure	10,884,673	10,736,273	7,441,142	3,898,887
Receivables	-	-	-	2,411,371
Total Non-Current Assets	**18,349,138**	**17,653,360**	**12,880,385**	**6,347,959**
TOTAL ASSETS	**23,749,590**	**28,509,107**	**17,072,500**	**16,791,141**
LIABILITIES				
Current Liabilities				
Trade and other payables	666,122	698,163	483,560	860,189
Other financial liabilities	-	1,000,000	-	-
Provisions	97,065	87,980	68,083	95,279
Total Current Liabilities	**763,187**	**1,786,143**	**551,643**	**955,468**
Non-Current Liabilities				
Provisions	4,344,949	4,344,949	3,103,535	-
Total Non-Current Liabilities	**4,344,949**	**4,344,949**	**3,103,535**	**-**
TOTAL LIABILITIES	**5,108,136**	**6,131,092**	**3,655,178**	**955,468**
NET ASSETS	**18,641,454**	**22,378,015**	**13,417,322**	**15,835,673**
EQUITY				
Contributed equity	59,842,238	57,783,306	42,041,933	41,766,933
Reserves	3,956,550	3,444,622	2,755,722	2,658,257
Accumulated losses	(45,157,334)	(38,849,913)	(31,380,333)	(28,589,517)
TOTAL EQUITY	**18,641,454**	**22,378,015**	**13,417,322**	**15,835,673**

The above historical consolidated statements of financial position are to be read in conjunction with Sections 1.2 and 1.8.

1.7 Unaudited Pro Forma Historical Financial Information

		As at 31 Dec 2020 Unaudited $	Pro forma adjustments $	Pro forma adjustments $	Pro forma adjustments $	Pro forma adjustments $	Pro forma adjustments $	Pro forma 31 Dec 2020 $
Current Assets								
Cash and cash equivalents	Note 1, 6	5,248,457	-	(309,539)	309,539	(440,000)	10,753,516	15,561,973
Receivables		109,388	-	309,539	(309,539)	-	-	109,388
Prepayments		42,607	-	-	-	-	-	42,607
Other financial assets		-	-	-	-	-	-	-
Total Current Assets		**5,400,452**	**-**	**-**	**-**	**(440,000)**	**10,753,516**	**15,713,968**
Non-Current Assets								
Other financial assets	Note 2	3,565,333	1,710,000	-	-	-	-	5,275,333
Plant & equipment		3,899,132	-	-	-	-	-	3,899,132
Capitalised exploration expenditure	Note 3	10,884,673	(3,053,247)	-	-	-	-	7,831,426
Total Non-Current Assets		**18,349,138**	**(1,343,247)**	**-**	**-**	**-**	**-**	**17,005,891**
TOTAL ASSETS		**23,749,590**	**(1,343,247)**	**-**	**-**	**(440,000)**	**10,753,516**	**32,719,859**
LIABILITIES								
Current Liabilities								
Trade and other payables		666,122	-	-	-	-	-	666,122
Other financial liabilities		-	-	-	-	-	-	-
Provisions		97,065	-	-	-	-	-	97,065
Total Current Liabilities		**763,187**	**-**	**-**	**-**	**-**	**-**	**763,187**
Non-Current Liabilities								
Provisions		4,344,949	-	-	-	-	-	4,344,949
Total Non-Current Liabilities		**4,344,949**	**-**	**-**	**-**	**-**	**-**	**4,344,949**
TOTAL LIABILITIES		**5,108,136**	**-**	**-**	**-**	**-**	**-**	**5,108,136**
NET ASSETS		**18,641,454**	**(1,343,247)**	**-**	**-**	**(440,000)**	**10,753,516**	**27,611,723**
EQUITY								
Contributed equity	Note 4	59,842,238	(7,290,000)	-	-	-	10,753,516	63,305,754
Reserves		3,956,550	-	-	-	-	-	3,956,550
Accumulated losses	Note 5, 6	(45,157,334)	5,946,753	-	-	(440,000)	-	(39,650,581)
TOTAL EQUITY		**18,641,454**	**(1,343,247)**	**-**	**-**	**(440,000)**	**10,753,516**	**27,611,723**

The above pro forma historical consolidation statement of financial position is derived from the historical consolidated statement of financial position adjusted for the pro forma transactions noted in Section 1.3 and is to be read in conjunction with Sections 1.2 and 1.8.

1.8 **Notes to and formulating part of the Unaudited Historical and Pro Forma Historical Financial Information**

This Notice does not include all the notes of the type normally included in an annual financial report. Accordingly, this Notice of Meeting should be read in conjunction with the annual report of the Company for the year ended 30 June 2020. The significant accounting policies which have been adopted in the preparation of the historical and pro forma historical financial information are set out below. These policies have been consistently applied to all periods presented unless otherwise stated.

(a) Reporting framework

The historical and pro forma historical financial information has been prepared in accordance with the recognition and measurement, but not all the disclosure requirements specified by all the Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (**AASB**) and the Corporations Act.

The historical and pro forma historical financial information has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities based on directors' estimates of Net Realisable Value. The pro forma historical financial information is presented in Australian dollars.

(a) Cash and cash equivalents
Cash and cash equivalents comprise cash at bank and in hand and deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(b) Deferred exploration and evaluation expenditure
Exploration and evaluation costs are written off in the year they are incurred apart from acquisition costs which are carried forward where right of tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest or, where exploration and evaluation activities in the area of interest have not reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Where an area of interest is abandoned or the directors decide that it is not commercial, any accumulated acquisition costs in respect of that area are written off in the financial period the decision is made. Each area of interest is also reviewed at the end of each accounting period and accumulated costs written off to the extent that they will not be recoverable in the future.

Amortisation is not charged on costs carried forward in respect of areas of interest in the development phase until production commences.

(c) Issued capital
Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction, net of tax, of the share proceeds received.

(d) Financial instruments
Financial assets and financial liabilities are recognised when Rox becomes a party to the contractual provisions of the instrument. For financial assets, this is the date that Rox commits itself to either purchase or sale of assets.

(e) Financial liabilities
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss, loans and borrowings, payables or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

An instrument is a financial liability when an issuer is, or can be required, to deliver either cash or another financial asset (e.g. ordinary shares in the company) to the holder.

Where Rox has the choice of settling a financial instrument in cash or otherwise is contingent on the outcome of circumstances beyond the control of both Rox and the holder, Rox accounts for the instrument as a financial liability.

All financial liabilities are initially recognised at fair value. The Group's financial liabilities include trade payables and contingent consideration (compound financial liability).

(f) Financial assets

Financial assets are initially recognised at fair value. The Group's financial assets include cash and cash equivalents, receivables, and financial investments at fair value through profit and loss (**FVTPL**).

Rox applies the AASB 9 Financial Instruments (**AASB 9**) simplified approach to measuring the expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

Where the simplified approach to measuring the expected credit loss does not apply, Rox recognises a loss allowance on initial recognition based on the 12 month expected credit losses. Rox thereafter continues to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in the credit risk since initial recognition of the financial asset. Specifically, AASB 9 Rox to measure the loss allowance at an amount equal to the lifetime expected credit loss.

NOTE 1 - CASH AND CASH EQUIVALENTS	Unaudited as at 31 Dec 2020 A$	Proforma Unaudited A$
Unaudited as at 31 Dec 2020	5,248,457	15,561,973
Unaudited balance of Rox at 31 Dec 2020		5,248,457
Pro forma adjustments		
Loan to Cannon to fund Priority Offer expenses (Rox Expenses Loan)		(309,539)
Repayment of the Rox Expenses Loan within 5 Business days of completion of the Priority Offer		309,539
Payment of Demerger expenses (Note 6)		(440,000)
Placement of 314,285,714 shares at $0.035 per share, in addition to 157,142,857 options exercisable at $0.07 for a period of 4 years after issue		11,000,000
Costs of placement		(246,484)
Pro forma balance		**15,561,973**

NOTE 2 - OTHER FINANCIAL ASSETS	Unaudited as at 31 Dec 2020 A$	Pro forma Unaudited A$
Unaudited as at 31 Dec 2020	3,565,333	5,275,333
Unaudited balance of Rox at 31 Dec 2020		3,565,333
Pro forma adjustments		
Investment in Cannon on transfer of Nickel Assets at fair value in exchange for the Consideration Shares		9,000,000

Elimination of investment on consolidation of Cannon	(9,000,000)
Impact of transfer of Nickel Assets between the Company and Cannon	-
The distribution and transfer of the In-specie Cannon Shares to existing shareholders of the Company	(7,290,000)
Deconsolidation of Cannon on loss of control	9,000,000
Retained interest in Cannon at Fair Value Through Profit and Loss (FVTPL)	1,710,000
Pro forma balance	**5,275,333**

NOTE 3 - EXPLORATION AND EVALUATION	Unaudited as at 31 Dec 2020 A$	Pro forma Unaudited A$
Unaudited as at 31 Dec 2020	10,884,673	7,831,426
Unaudited balance of Rox at 31 Dec 2020		10,884,673
Pro forma adjustments		
Transfer of the Nickel Assets to Cannon		(3,053,247)
Pro forma balance		**7,831,426**

NOTE 4 - CONTRIBUTED EQUITY	Unaudited as at 31 Dec 2020 A$	Pro forma Unaudited A$
Unaudited as at 31 Dec 2020	59,842,238	63,305,754
Unaudited balance of Rox at 31 Dec 2020		59,842,238
Pro forma adjustments		
In-specie distribution - return of capital (at fair value)		(7,290,000)
Placement of 314,285,714 shares at $0.035 per share, in addition to 157,142,857 options exercisable at $0.07 for a period of 4 years after issue		11,000,000
Costs of placement		(246,484)
Pro forma balance		**63,305,754**

	Unaudited as at 31 Dec 2020 Number	Pro forma Number
Number of ordinary shares	2,049,828,463	2,364,114,177
Unaudited balance of Rox at 31 Dec 2020		2,049,828,463
Pro forma adjustments		
Placement of 314,285,714 shares at $0.035 per share to Hawke's Point to raise $11,000,000 (before costs)		314,285,714
Pro forma balance		**2,364,114,177**

NOTE 5 - ACCUMULATED LOSSES	Unaudited as at 31 Dec 2020 A$	Pro forma Unaudited A$
Unaudited as at 31 Dec 2020	(45,157,334)	(39,650,581)
Unaudited balance of Rox at 31 Dec 2020		(45,157,334)
Pro forma adjustments		
Gain arising on the demerger of the Nickel Assets at fair value		5,946,753
Demerger expenses incurred (Note 6)		(440,000)
Pro forma balance		**(39,650,581)**

NOTE 6 - COSTS OF THE DEMERGER	Unaudited as at 31 Dec 2020 A$	Pro forma Unaudited A$
Costs of the demerger	-	440,000
Pro forma adjustments		
Legal fees – Thomson Geer	150,000	
Company Secretarial - Computershare	95,000	
Tax advice – EY	84,000	
Recruitment fees - Acacia	50,000	
Accounting advice – Pitcher Partners	12,000	
ASX fees	5,000	
Other (incl. contingency)	44,000	
Pro forma balance		**440,000**

Schedule 4

Unaudited Pro Forma Statement of Financial Position – Cannon

	At 31 December 2020	Pro-Forma adjustments	Pro-Forma adjustments	At 31 December 2020 Pro-Forma after issue
Current assets				
Cash and cash equivalents	-	-	5,300,461	5,300,461
Other assets	-	3,206	(3,206)	-
TOTAL CURRENT ASSETS	-	**3,206**	**5,297,255**	**5,300,461**
Non-current assets				
Exploration expenditure	-	9,000,000	-	9,000,000
TOTAL NON CURRENT ASSETS	**-**	**9,000,000**	**-**	**9,000,000**
TOTAL ASSETS	**-**	**9,003,206**	**5,297,255**	**14,300,461**
Current liabilities				
Trade and other payables	(114,000)	114,000	-	-
TOTAL CURRENT LIABILITIES	(114,000)	114,000	-	-
Non-current liabilities				
Related party loan	-	(309,539)	309,539	-
TOTAL NON CURRENT LIABILITIES	-	**(309,539)**	**309,539**	-
TOTAL LIABILITIES	(114,000)	**(195,539)**	**309,539**	-
NET ASSETS	(114,000)	**8,807,667**	**5,606,794**	**14,300,461**
Equity				
Contributed equity	-	9,000,000	5,726,794	14,606,794
Share based payment reserve	-	720,486	-	720,486
Accumulated losses	(114,000)	(912,819)	-	(1,026,819)
TOTAL EQUITY	(114,000)	**8,807,667**	**5,606,794**	**14,300,461**

The Unaudited Pro Forma Statement of Financial Position above has been compiled by adjusting the Unaudited Statement of Financial Position of Cannon as at 31 December 2020 and reflecting the impact of the following items and pro forma transactions which are yet to occur, but are proposed to occur immediately before or following completion of the In-specie Distribution and Priority Offer.

The following adjustments have been made:

(a) the transfer of the Nickel Assets from Rox to Cannon in exchange for the Consideration Shares;

(b) the payment of cash costs related to Cannon's Priority Offer Expenses by the Company, deemed to be loaned to Cannon interest free, estimated to be approximately $309,539;

(c) the issue of 30,000,000 Shares in the Company at A$0.20 per share together with 1 free attaching Option for every 3 Shares issued to raise A$6,000,000 under the Priority Offer (before costs);

(d) the payment of the Joint Lead Manager fees, totalling $390,000[1] from the proceeds of the raising;

(e) the issue of 6,750,000[2] Options to the Board and Management of Cannon prior to admission for nil cash consideration; and

(f) the repayment by Cannon, within 5 Business Days of completion of the Priority Offer, of the Rox Expenses Loan.

The pro forma cash and cash equivalents in the Unaudited Pro Forma Statement of Financial Position takes into account the transactions above.

[1] The Lead Manager Fees include the maximum amount payable in connection with the Offers for the **Corporate Advisory Fee**, the **IPO Issue Management Fee** and the **Shortfall Capital Raising Fee**. Refer to the Joint Lead Manager Mandate summary in Schedule 6 for further details of these fees.

The amount excludes the **Unmarketable Parcel Sell Down Fee**, being 6% of the amount of the cash that Shareholders receive in lieu of their in-specie distribution for unmarketable parcels, as the number of Shareholders likely to take up this offer cannot be reliably estimated. Refer to the Joint Lead Manager Mandate summary in Schedule 6 for further details of this fee.

[2] These Options were valued using Black-Scholes option pricing model, utilising the following inputs:

Number of options	6,750,000
Grant date share price	$0.20
Exercise price	$0.30
Expected volatility	100%
Option life	3 years
Risk-free interest rate	0.10%
Fair value per option granted	$0.10674

[3] These options represent a transaction "with shareholders as shareholders" and are not accounted for under AASB 2 Share Based Payments. Accordingly, no value has been ascribed to these options.

Taxation

Rox has sought a ruling from the ATO in respect of the grant of Demerger Relief in respect of the intended distribution of approximately 36,450,000 Cannon Shares to Eligible Rox Shareholders.

Furthermore, in accordance with the Demerger Agreement, while Rox is responsible for all Taxes and associated liabilities arising in connection with the Demerger, Cannon remains responsible for all Taxes and associated liabilities arising in connection with the Priority Offer.

Schedule 5

Key risk factors

The business, assets and operations of Cannon will be subject to certain risk factors that have the potential to influence its operating and financial performance in the future. These risks can impact on the value of an investment in its securities and include those highlighted in the table below.

The risk factors set out below ought not to be taken as exhaustive of the risks faced by Cannon or by Eligible Rox Shareholders receiving Cannon Shares. The below factors, and others not specifically referred to below, may in the future materially affect the financial performance of Cannon and the value of the Cannon Shares. Therefore, the Cannon Shares carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those shares.

Risk	Description
Non-completion of Demerger	The Demerger is subject to the satisfaction of the Demerger Conditions. There can be no assurance that all of these conditions will be satisfied or that the Demerger will complete, as a consequence, there is a risk that costs associated with the Demerger and management time allocated to the Demerger will have been wasted.
Cannon is an unlisted public company	Cannon is currently an unlisted Australian public company. The Cannon Shares will not be listed on ASX or any other securities exchange at the time of the In-Specie Distribution. Cannon is intending to apply to list and raise capital on ASX. However, there is no guarantee that the Priority Offer will be successful or that ASX will admit Cannon to the official list of ASX.
Minimum subscription under Priority Offer not met	Cannon has entered into a mandate pursuant to which the Joint Lead Managers have agreed to act on a reasonable efforts basis to place any Shortfall under the Priority Offer. However, if the Shortfall cannot be placed and Cannon does not raise the minimum subscription of $6,000,000 under the Priority Offer, the Demerger will not proceed.
ATO ruling	Rox has sought a ruling from the ATO in respect of the grant of Demerger Relief in respect of the intended distribution of In-specie Cannon Shares to Eligible Rox Shareholders. There is no guarantee or assurance that Rox will be successful in obtaining the tax ruling sought. If a favourable tax ruling is not received, this will have tax implications for Rox and its shareholders and independent advice should be sought in this regard
Limited operating history	Cannon was incorporated on 25 November 2020 and since that time it has operated as a wholly owned subsidiary of Rox. No assurance can be given that Firebird will achieve commercial viability through the successful exploration of the Nickel Assets. Until Cannon is able to realise value from the Nickel Assets, it is likely to incur ongoing operating losses.
Future funding	There is a risk that Cannon may fail to raise sufficient capital to develop the Nickel Assets in the future. Further, the Directors may deem that listing Cannon may not be appropriate and that other forms of funding should be sought. There is no guarantee that these future funding

Risk	Description
	sources or opportunities to invest directly in the Nickel Assets will eventuate. Any additional future equity financing will dilute Cannon Shareholders to the extent they do not participate, and any debt financing, if available, may involve restrictions on Cannon's operating activities and business strategy. If Cannon is unable to obtain additional funding as needed, it may be required to reduce the scope of its operations or scale back its business plans or exploration programmes, as the case may be or forfeit rights to some or all of its projects which could have a material adverse effect on Cannon's activities.
Exploration, development, mining and processing risks	The Tenements to be held by Cannon under the Demerger are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of these licences, or any other licences that may be acquired by Cannon in the future, can be economically exploited. The future exploration activities of Cannon may be affected by a wide range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title, changing government regulations and many other factors beyond the control of Cannon. The success of Cannon will also depend on Cannon having access to sufficient development capital to allow for progressing exploration opportunities towards mining operations, being able to maintain title to its licences and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful, this could lead to a diminution in the value of the licences, a reduction in the base reserves of Cannon and possible relinquishment of the licences. Each of Cannon's exploration licences and permits are for a specific term and carry with them annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, Cannon could lose title to or its interest in the Tenements if licence conditions are not met or insufficient funds are available to meet expenditure commitments. The exploration costs of Cannon are based on certain assumptions with respect to method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially affect the Cannon's viability.
Non-renewal of title	Under Western Australian mining laws, exploration tenements are valid for set periods of time and renewal is subject to the approval of the minister. There is no

Risk	Description
	guarantee that Cannon will be successful in the renewal of exploration tenements as they reach their expiry date.
Management and key personnel	Cannon has engaged directors and key management personnel. Recruiting and retaining qualified personnel is important to Cannon's success. The number of persons skilled in the exploration and development of mining properties is limited and competition for such persons is strong. There can be no assurance given that there will be no detrimental impact on Cannon if one or more key employees, including the directors, leave Cannon.
Estimation of mineral resources and ore resources	There is a degree of uncertainty to the estimation of mineral resources and ore reserves and corresponding grades being mined or dedicated to future production. Until mineral resources or ore reserves are actually mined and processed, the quantity of mineral resources and ore reserves must be considered as estimates only. In addition, the grade of mineral resources and ore reserves may vary depending on, among other things, metal prices. Any material change in quantity and grades of mineral resources, ore reserves, or stripping ratio may affect the economic viability of the properties. In addition, there can be no assurance that metal recoveries in small-scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production. Fluctuation in the prices of relevant commodities, results of drilling, metallurgical testing and the evaluation of mine plans subsequent to the date of any estimate may require revision of such estimate. Any material reductions in estimates of mineral resources and / or ore reserves, could have a material adverse effect on Cannon's financial condition.
Joint venture parties, agents and contractors	Cannon is unable to predict the risk of financial failure or default by a participant in any future joint venture to which Cannon may become a party. Further, Cannon is unable to predict the risk of insolvency or managerial failure by any of the contractors used by Cannon in any of its activities or the insolvency or other managerial failure by any of the other service providers used by Cannon for any activity. The effects of such failures may have an adverse effect on Cannon's operations.
Exploration and operations	The current and future operations of Cannon, including exploration, appraisal, development and possible production activities may be affected by a range of exploration and operating factors, including: (a) geological conditions; (b) limitations on activities due to seasonal or adverse weather patterns; (c) alterations to program and budgets; (d) unanticipated operational and technical difficulties encountered in geophysical

Risk	Description
	surveys, drilling, metallurgical laboratory work and production activities; (e) mechanical failure of operating plant and equipment, industrial and environmental accidents, acts of terrorism or political or civil unrest and other force majeure events; (f) industrial action, disputation or disruptions; (g) unavailability of transport or drilling equipment to allow access and geological and geophysical investigations; (h) unavailability of suitable laboratory facilities to complete metallurgical test-work investigations; (i) failure of metallurgical testing to determine a commercially viable product; (j) shortages or unavailability of manpower or appropriately skilled manpower; (k) unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment; and (l) prevention or restriction of access by reason of inability to obtain consents or approvals. Certain of Cannon's tenements in future may become subject to agreements with third parties which limit the commodities that Cannon may exploit on these tenements; with third parties having certain rights (no current shared commodity rights). Whilst Cannon does not consider these limitations to be unduly onerous, there is a risk that these restrictions may not be in Cannon's best interests or that the third parties may, in asserting their rights over Cannon's tenements, not act in Cannon's best interests.
Environmental, rehabilitation and other regulatory risks	Cannon's operations are and will be subject to environmental regulation. Environmental regulations are likely to evolve in a manner that will require stricter standards and enforcement, increased fines and penalties for non-compliance and assessments of proposed projects. Environmental regulations could impact on the viability of Cannon's projects. Cannon may become subject to liability for pollution or other hazards against which it has not insured or cannot insure, including those in respect of past mining or other activities for which it was not responsible. As a condition of the Tenements, Cannon will also be required to rehabilitate, level, re-grass, reforest or contour land that has been damaged or adversely affected by exploration activities, failure to do so may render the

Risk	Description
	Tenements liable to cancellation. Cannon is also required to lodge rehabilitation security by way of cash deposit. It is Cannon's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.
Annual rents and levies	An annual rental and an administrative levy are payable, based on the size of the Tenements. Tenements are also subject to expenditure requirements in accordance with work programs approved by the WA Department of Mines, Industry Regulation and Safety. Payment of rentals and levies are currently up to date. Failure to comply with expenditure requirements may render the Tenements liable to cancellation.
Mining tax and royalties	There is a risk that the Commonwealth or Western Australian Governments may seek to introduce further, or increase existing, taxes and royalties.
Encumbrances on title	Cannon may at a future date be required to encumber part or all of its tenure to expedite future commercial transactions.
Unforeseen risks	There may be other risks which the Directors are unaware of at the date of this Notice of Meeting which may impact on Cannon and its operations, and on the valuation and performance of the Cannon Shares.
Land owner and access risk	Cannon may be required to pay compensation to land owners, local authorities, traditional land users and others who may have an interest in the area covered by a mining tenement. Cannon's ability to resolve compensation issues and compensation costs involved will have an impact on the future success and financial performance of Cannon's operations. If Cannon is unable to resolve such compensation claims on economic terms, this could have a material adverse effect on the business, results or operations and financial condition of Cannon. Access to land for exploration purposes can be affected by land ownership, nature reserves and national parks, government regulation and environmental restrictions. Access is critical for exploration and development to succeed and the ability to be able to negotiate satisfactory commercial arrangements with landowners, farmers and occupiers is often essential.
Economic conditions	General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on Cannon's exploration, development and production activities, as well as on its ability to fund those activities. If activities cannot be funded, there is a risk that the Tenements may have to be surrendered or not renewed. General economic conditions may also affect the value of Cannon Shares and its valuation regardless of its actual performance.

Risk	Description
Native title and Aboriginal heritage Sites	The *Native Title Act 1993 (Cth)* recognises and protects the rights and interests in Australia of Aboriginal and Torres Strait Islander people in land and waters, according to their traditional laws and customs. There is significant uncertainty associated with native title in Australia and this may impact on Cannon's operations and future plans. Cannon must also comply with Aboriginal heritage legislation requirements which require heritage survey work to be undertaken ahead of the commencement of exploration and mining operations.
COVID-19	The global economic outlook is facing uncertainty due to the current COVID-19 pandemic which is impacting global capital markets. The Cannon has taken measures to mitigate the impacts on operations and is continuing to monitor and assess its operations and commercial activities in light of the COVID-19 pandemic. However, as the situation with respect to COVID-19 continues to develop (and government restrictions change), there can be no assurance that Cannon will be able to continue to mitigate any adverse effects of COVID-19 on its operations. Further, Cannon is ultimately exposed to general economic conditions globally which could have an adverse effect on the operating and financial performance of Cannon. A prolonged economic contraction as a result of COVID-19 and/or other factors could impact on the Cannon's ability to continue to meet its ongoing financial obligations (including debt) and may affect the operations and performance of Cannon.

Schedule 6

Cannon's Material Contracts

1. Demerger Agreement

Rox and Cannon have entered into an agreement in relation to the Demerger and for the sale and purchase of the Nickel Assets on 13 May 2021 (**Demerger Agreement**) on the following terms. The effect of the Demerger Agreement is that Cannon acquires the Nickel Assets for 45,000,000 fully paid ordinary shares in Cannon at a deemed issue price of $0.20 per Cannon Share.

The material terms of the Demerger Agreement are as follows:

(a) **Demerger Conditions**

The conditions precedent for completion of the Demerger include (unless otherwise agreed to be waived):

(i) (**Transfer of Tenements**) Rox obtaining all necessary regulatory approvals for the transfer of 100% legal and beneficial interest of the Tenements to Cannon;

(ii) (**Split commodity agreement**) Rox and Cannon entering into a split commodity agreement for Rox to retain gold rights and Cannon to retain rights to all other minerals in respect of E53/1218;

(iii) (**Rox approvals**) Rox obtaining all necessary shareholder approvals required by the Corporations Act, the Listing Rules and its Constitution to give effect to the Capital Reduction and In-specie Distribution;

(iv) (**Capital Raising**) Cannon raising $6,000,000 under the Priority Offer pursuant to the Cannon Prospectus;

(v) (**Cannon approvals**) Cannon receiving a letter from ASX confirming that ASX will admit Cannon to the Official List of ASX, subject to the satisfaction of terms and conditions acceptable to Cannon; and

(vi) (**No regulatory intervention**) No regulatory intervention occurring that would otherwise prevent the Demerger from proceeding.

(b) **Other material terms**

(i) (**Assignment of contracts**) If the Nickel Assets include the benefit of contracts which cannot effectively be assigned to Cannon Resources without the consent of a third party or except by an agreement or novation:

(A) prior to and after the Internal Restructure, Rox and Cannon must use all reasonable endeavours to obtain consent to assignment or to procure a novation of particular contracts specified by Cannon;

(B) unless and until consent is obtained or such contracts are novated to Cannon, Rox will hold the contracts on trust for Cannon; and

(C) unless and until consent is obtained or such contracts are novated Cannon must for its own benefit and to the extent that the contracts permit, perform on behalf of Rox (but at Cannon's expense) all the obligations of Rox arising after Internal Restructure.

(ii) (**Agreement to sell and purchase Nickel Assets**) Rox will sell and transfer to Cannon the Nickel Business and the Nickel Assets subject to Cannon

assuming liability for any assumed liabilities and free of any encumbrances for 45,000,000 Shares.

(iii) (**Wrong pockets**) If either Cannon or Rox becomes aware of the existence of an asset or liability within the Rox Group that was not transferred to or assumed by Cannon or an assets or liability within the Cannon Group that was not transferred to or assumed by Rox, the Demerger Agreement contains provisions to ensure that the parties discuss in good faith how to deal with the relevant asset or liability.

(iv) (**Representations and warranties**) The parties provide representations and warranties that are considered standard for agreements of this nature, with the maximum amount of any claim recoverable by Cannon limited to $500,000.

(v) (**Funding**)

(A) Rox will be liable for all costs and expenses associated with the Demerger.

(B) Cannon will be liable for all costs and expenses associated with the Priority Offer.

(C) Up until the Priority Offer, Rox will pay all Priority Offer expenses incurred on behalf of Cannon and the amounts paid will be deemed to have been loaned to Cannon interest free (**Rox Expenses Loan**).

(D) Within 5 Business Days of completion of the Priority Offer, Cannon must repay the Rox Expenses Loan.

(vi) (**Transitional Services**) Rox will provide the following services to Cannon for a period of up to 6 months (or such other period as Rox and Cannon may agree) from In-specie Distribution Completion (**Transition Period**) including:

(A) a non-exclusive licence to access and use the office space at Level 2, 87 Colin Street, West Perth WA 6005 (or any other office space that Rox occupies form time to time) (including access 24 hours a day, for seven days a week); and

(B) corporate support, including reception, secretarial, office administration support.

Cannon will pay Rox the sum of $2,000 per month during the Transition Period for the provision of the above services, plus the amount of any outgoings directly attributable to Cannon during the Transition Period.

2. Joint Lead Manager Mandate

Cannon has entered into a mandate appointing Canaccord Genuity Group Inc. (**Canaccord**) and Taylor Collison Limited (**Taylor Collison**) (together with Canaccord, the **Joint Lead Managers**) whereby the Joint Lead Managers have agreed to manage the Priority Offer and provide capital raising services in return for certain fees to be paid by Cannon (**Joint Lead Manager Mandate**).

Cannon will pay the following fees (plus GST) to the Joint Lead Managers in connection with the Priority Offer:

(a) Canaccord only will receive a Corporate Advisory Fee of $30,000;

(b) an issue management fee of 4.0% of the gross proceeds raised under the Priority Offer;

(c) a selling fee of 6.0% of the gross proceeds raised from any shortfall arising from the Priority Offer; and

(d) a sell down fee of 6% on the amount of cash that Ineligible Rox Shareholders receive in lieu of their In-specie Cannon Shares.

The Joint Lead Managers have agreed to assist the Company in allocating any shortfall under the Priority Offer between Rox shareholders who have subscribed for shares above their pro rata entitlement under the Priority Offer and to new investors on a reasonable efforts basis.

The Joint Lead Managers are also entitled to be reimbursed by the Company for reasonable out of pocket expenses incurred in connection with the Joint Lead Manager Mandate and the Priority Offer.

The Joint Lead Manager Mandate contains other terms and conditions customary for an agreement of this nature.

The Company also provides customary indemnities to the Joint Lead Managers and other indemnified parties pursuant to the Joint Lead Manager Mandate.

3. Chief Executive Officer – Executive services agreement

The Company on 30 March 2021 (**Commencement Date**) entered into an executive services agreement with Mr Stephen Lynn in respect of his employment as Chief Executive Officer of the Company (**Executive Services Agreement**).

The key terms of the Executive Services Agreement are detailed below:

(a) **Remuneration and expenses**

Mr Lynn will receive a base salary of A$260,000 per annum (exclusive of statutory superannuation). The salary will be reviewed annually by the Company.

In addition, the Company may pay to Mr Lynn a performance-based bonus of up to 50% of Mr Lynn's base salary. In determining the extent of any performance based bonus, the Company shall take into consideration the key performance indicators of Mr Lynn and the Company, as the Company may set from time to time, and any other matter that it deems appropriate.

No bonus payment or associated key performance indicators have been resolved by the Board as at the date of this Prospectus.

The Company will also provide Mr Lynn with the use of a mobile telephone and laptop computer.

On provision of all documentary evidence reasonably required by the Company, the Company will reimburse Mr Lynn for all reasonable travelling intra/interstate or overseas, accommodation, telephone and general expenses incurred by Mr Lynn in the performance of all duties in connection with the business of the Company and its related bodies corporate.

(b) **Termination**

Mr Lynn can terminate the Executive Services Agreement by giving the Company 4 weeks' written notice within the first 6 months of the Commencement Date or 6 months written notice to the Company thereafter.

Should the Company no longer employ Mr Lynn, or in the event of diminution of duties, then the Company is deemed to have provided 4 weeks' notice of termination within the first 6 months of Commencement Date or 6 months' notice thereafter. Where the Company terminates, Mr Lynn may decide to take salary in lieu of notice of termination or combination of notice of termination and a payment in lieu of notice equivalent to the applicable notice period.

The Company may terminate the Executive Services Agreement immediately and without payment in lieu of notice if Mr Lynn:

(i) engages in serious misconduct;

(ii) commits a serious or persistent breach or non-observance of the Executive Services Agreement;

(iii) is dealt with by a court for a criminal offence, whether or not a conviction is recorded, which in the reasonable opinion of the Board might tend to injure the reputation of the Company;

(iv) refuses or neglects to comply with any lawful and reasonable instruction given by the Company or the Board;

(v) becomes bankrupt or otherwise make formal arrangements for the administration of his personal affairs in insolvency; or

(vi) has, whether prior to or during the term of the Executive Services Agreement, provided the Company with information about his qualifications, experience, character or reputation which is materially misleading.

Either Mr Lynn or the Company can terminate the Executive Services Agreement at any time by giving 1 months' notice if Mr Lynn is or becomes incapacitated by illness or injury that prevents him from performing his duties for a period of 6 consecutive months or any periods aggregating 6 months in any period of 12 months during the term of his employment.

(c) **Other key terms**

The Executive Services Agreement contains other provisions that are customary for an agreement of this type, including a requirement for the Company to offer a Deed of Indemnity for the benefit of Mr Lynn.

4. Non-Executive Director Letters of Appointment

Cannon has entered into letters of appointment with the non-executive Chairman and non-executive Directors.

Pursuant to these letter agreements, Cannon has agreed to pay:

(a) Mr Trevor Benson a director's fee of $60,000 (exclusive of superannuation);

(b) Mr Alex Passmore a director's fee of $45,000 (exclusive of superannuation); and

(c) Mr Richard Bevan a director's fee of $45,000 (exclusive of superannuation).

5. Deeds of indemnity, insurance and access

Cannon has entered into deeds of indemnity, insurance and access with each of its directors and its company secretary. Under these deeds, Cannon agrees to indemnify each officer to the extent permitted by the Corporations Act against any liability arising as a result of the officer acting as an officer of Cannon or a related body corporate (subject to customary exceptions).

Cannon is also required to maintain insurance policies for the benefit of the relevant officer and must also allow the officers to inspect board papers and other documents provided to the Cannon Board in certain circumstances.

Agreements to be assigned or novated from Rox to Cannon

Pursuant to the Demerger Agreement, the following agreements will be assigned or novated from Rox to Cannon.

6. Rio Tinto Exploration Agreement

On 9 September 1997, Rio Tinto Exploration Pty Ltd (**RTE**) entered into a sale and purchase agreement with Gerard Brewer (**Brewer**) (the **Rio Tinto Agreement**) in respect of Exploration Licences E53/353, E53/416 and E53/378 to E53/380 (inclusive) (**Rio Tenements**).

On 17 July 2015, RTE and Brewer entered into an agreement with Rox to novate the Rio Tinto Agreement to Rox who assumed the obligations of Brewer. Under that agreement, the Rio Tinto Agreement was discharged and RTE and Rox entered into a new agreement on the same terms as those of the Rio Tinto Agreement. RTE agreed to sell and assign its rights, title and interest in the Rio Tenements to Rox and Rox agreed to purchase and accept the assignment of the Rio Tenements.

Pursuant to the Demerger Agreement, the Rio Tinto Agreement will be novated to Cannon as if Cannon was an original party to the Rio Tinto Agreement.

Under the Rio Tinto Agreement:

(a) Cannon has to pay RTE a royalty at the rate of 9.0% of the net profits earned on all gold produced from E53/1318 after production of the first 500,000 ounces of gold from the E53/1318 (the **Rio Tinto Royalty**);

(b) the Rio Tinto Royalty is paid to RTE at the end of each quarter (each period of three months commencing 1 January, 1 April, 1 July and 1 October in each year) after the first 500,000 ounces of gold from E53/1318; and

(c) Cannon cannot assign any of his rights and obligations under the Agreement or dispose of any rights, title or interests in the Tenements without prior written consent from RTE.

The Rio Tinto Agreement contains other terms and conditions considered standard for an agreement of its nature.

7. Delta Exploration Agreement

On 16 November 2001, Delta Exploration Pty Ltd (**Delta**) entered into an agreement for sale with Gerard Brewer (**Brewer**) in respect of E53/353, E53/378 to E53/380 (inclusive), E53/416, E53/842, M53/644, M53/645, M53/823 to M53/828 (inclusive), M53/840 to M53/853 (inclusive) (**Delta Tenements**) (**Delta Exploration Agreement**). Delta sold all its right, title and interest in the Delta Tenements to Brewer, free of encumbrances, except for the Delta Royalty for consideration of $1.00.

On 1 October 2008, the Delta Exploration Agreement was assigned to Royal Gold Inc (**Royal Gold**) pursuant to a deed of assignment and assumption between Brewer, Delta Gold and Royal Gold.

On 6 July 2017, Royal Gold and Brewer entered into an agreement with Rox to novate the Delta Exploration Agreement to Rox who assumed the obligations of Brewer. Under that agreement, the Delta Exploration Agreement was discharged and Royal Gold and Rox entered into a new agreement on the same terms as those of the Delta Exploration Agreement.

On 1 July 2017, Royal Gold assigned its rights to the Delta Royalty to RG Royalties, LLC.

Pursuant to the Demerger Agreement, Rox's rights and obligations under the Delta Exploration Agreement will be assigned to Cannon.

Under the Delta Exploration Agreement, in the event of production of gold by Cannon from E53/1318, Cannon must pay RG Royalties, LLC a royalty of $5.00 per ounce of any such gold up to a maximum of 500,000 ounces.

The Delta Exploration Agreement contains terms and conditions considered standard for an agreement of its nature.

8. Goldex Agreement

On 3 June 1992, Yardarino Mining NL (**Yardarino**) (now, Falcon Minerals Limited (**Falcon**)) entered into an agreement with Anketell Pty Ltd (**Anketell**) to acquire tenements from Anketell (**Goldex Agreement**).

On 12 December 2016, Anketell and Falcon entered into an agreement with Rox to assign the Goldex Agreement to Rox (**Assigned Goldex Agreement**). Under the Assigned Goldex Agreement, Rox assumed all the liabilities and obligations of Falcon under the Goldex Agreement.

Pursuant to the Demerger Agreement, Rox's rights and obligations under the Goldex Agreement will be assigned to Cannon.

Under the Goldex Agreement:

(a) (**royalty of gold**) if gold is produced from E38/2009, Cannon will pay Anketell a royalty as follows (**Anketell Royalty**):

(i) if a new treatment plant is constructed to treat material from within E38/2009 to produce gold then:

(A) the Anketell Royalty will not be payable for the first six months of production from that treatment plant;

(B) for the next 12 months, the Anketell Royalty will be 0.5% of the gross value of the gold; and

(C) immediately following the first 18 months of production, the Anketell Royalty will be 0.75% of the gross value of the gold.

(ii) if a new treatment plant is not constructed, the Anketell Royalty will be 0.5% from the beginning of production and will continue for the first 18 months of production. This will increase to 0.75% thereafter.

(iii) if gold is produced from material that is not blended with other gold material sourced from outside the tenements, the Anketell Royalty will be calculated by the royalty percentage described above multiplied by the total gold production for that quarter multiplied by the average gold price.

(iv) if gold is produced from material that is blended with other gold material sourced from outside the Mining Tenements prior to treatment, the Anketell Royalty will be calculated by the royalty percentage described above multiplied by tonnes multiplied by grade multiplied by average plant recovery multiplied by the average gold price.

(b) (**royalty of minerals**) for the production of minerals other than gold, the royalty payments to Anketell shall be expressed as:

(i) the net smelter return for an arm's length transaction in the case of base metals; or

(ii) a percentage of the value of mineral production in the case of other minerals,

(iii) in every other respect the payment to Anketell shall be in accordance with the above provisions relating to the royalty of gold.

(c) (**assignment**) Cannon may sell, farm-out, joint venture or assign a portion of its interest in E38/2009. Cannon cannot assign any portion of its royalty obligations.

The Goldex Agreement contains other terms and conditions considered standard for an agreement of its nature.

9. Collurabbie Agreement

On 10 December 2009, BHP Billiton Nickel West Pty Ltd (**Nickel West**) entered into an agreement with Falcon Minerals Limited (**Falcon**) to terminate the Collurabbie Joint Venture dated 18 June 2001 and to transfer its interest in the tenements which are the subject of the Collurabbie Joint Venture (**Collurabbie Tenements**), as well as a number of other tenements wholly owned by Nickel West, to Falcon (**Collurabbie Agreement**). Under the Collurabbie Agreement, Falcon assumed all of Nickel West's obligations and liabilities in, or in connection with, the Collurrabie Tenements.

On 5 April 2017, Nickel West and Falcon entered into an agreement with Rox to novate the Collurabbie Agreement to Rox. Under that agreement, the Collurabbie Agreement was novated to Rox who assumed the rights and obligations of Falcon as if Rox was an original party to the Collurabbie Agreement.

Pursuant to the Demerger Agreement, the Collurabbie Agreement will be novated to Cannon as if Cannon was an original party to the Collurabbie Agreement.

Under the Collurabbie Agreement:

(a) Nickel West retains certain rights to E38/2009 as follows:

(i) (**scoping study**) Cannon must provide a copy of its scoping study to Nickel West upon completion and must provide any further information required by Nickel West in connection with any proposed development of a E38/2009 contemplated in its scoping study;

(ii) (**first right**) within 45 business days of the receipt of the scoping study or further information, Nickel West may elect to enter into negotiations with Cannon for the sale or disposal of ore and/or concentrate which is extracted from E38/2009 (**Offtake of Ore**) (**First Right**). Once Nickel West exercises its First Right, Cannon will not enter into any agreement or arrangement with any other person in connection with the Offtake of Ore for six months;

(iii) (**right to match**) if Cannon receives a third party offer to purchase the ore and/or concentrate, Cannon must provide Nickel West with the terms and conditions of that offer and must offer Nickel West the right to match the third party offer. If Nickel West agrees to match the third party offer, then Cannon will do all things necessary to execute a full-form agreement and will not execute any agreement for any third party offer; and

(iv) (**ongoing rights**) Cannon agrees that the First Right granted to Nickel West applies to each development of E38/2009 and is a right which can be exercised each time a decision to develop is made.

(b) (**termination**) Nickel West can terminate its interests under the Collurabbie Agreement at any time by giving 14 business days' notice to Cannon.

(c) (**assignment**) Cannon may only assign its rights under the Collurabbie Agreement with prior written consent of Nickel West. Nickel West may assign its rights under the Collurabbie Agreement without obtaining prior consent of Cannon.

The Collurabbie Agreement contains other terms and conditions considered standard for an agreement of its nature.

Schedule 7

Tenement Schedule

Tenement	Grant date	Expiry Date
Fisher East Project		
E53/1218 (Rox to retain gold rights)	8/01/2007	7/01/2023
E53/1318	21/09/2009	20/09/2021
E53/1716	3/04/2013	2/04/2023
E53/1802	18/08/2014	17/08/2024
E53/1884	24/01/2017	23/01/2022
E53/1885	31/10/2016	30/10/2021
E53/1886	31/10/2016	30/10/2021
E53/1887	24/05/2017	23/05/2022
E53/1950	14/12/2017	13/12/2022
E53/2090	3/06/2020	2/06/2025
E53/2018	17/09/2019	15/09/2024
Collurabbie Project		
E38/2009	20/10/2008	19/10/2022
E38/2912	12/09/2014	11/09/2024
E38/3193	28/07/2017	27/07/2022

Schedule 8

Independent Technical Assessment Report

Valuation & Resource Management

INDEPENDENT TECHNICAL ASSESSMENT REPORT

Presented To:

Cannon Resources Limited

CANNON RESOURCES

Rox Resources Limited

ROX RESOURCES

Date Issued:

24 May 2021

Document Reference	ITAR - Cannon Resources Limited NoM Final
Distribution	Cannon Resources Limited Rox Resources Limited Valuation and Resource Management Pty Ltd
Principal Author	Paul Dunbar BSc Hons (Geology) MSc (MINEX) M AusIMM M AIG  Date: 24 May 2021
Contributors	D Lord L Burnett
Report Date	24 May 2021

Executive Summary

Valuation and Resource Management Pty Ltd (**VRM**) was commissioned by Cannon Resources Limited (**Cannon** or **the Company**) to prepare an Independent Technical Assessment Report (**ITAR** or **the Report**). The Cannon commissioned report can be relied upon by Rox Resources (**Rox Resources**). The ITAR is to be included in a Notice of Meeting (**NoM**) issued by Rox Resources and dated 26 May 2021 for the in-specie distribution of approximately 36,450,000 shares in the Company to eligible Rox Resources shareholders.

This Report has been prepared as a Public Document, in the format of an independent specialist's report and in accordance with the guidelines of the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets – the 2015 VALMIN Code (**VALMIN**) and the exploration results, Exploration Target and Mineral Resource estimates have been prepared and reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – the 2012 JORC Code (**JORC**).

This Report is a technical review of two mineral projects which consist of Exploration Licences in the North-Eastern Goldfields regions, specifically the Fisher East Nickel Project (**Fisher East Project**) and the Collurabbie Nickel Project (**Collurabbie Project**) (together, the **Nickel Assets**) within the Eastern Goldfields Superterrane of the Yilgarn Craton, Western Australia (Figure 1). The Nickel Assets are being acquired by the Company from Rox Resources with Rox Resources pursuant to a demerger whereby Rox Resources will receive shares in Cannon and existing eligible Rox Resources shareholders will receive a pro-rata in-specie distribution of shares in Cannon as detailed in the NoM. Existing eligible Rox Resources shareholders will also be provided with the opportunity to participate in a priority offer to acquire shares in the Company as detailed in the NoM. There are 14 granted tenements, 11 within the Fisher East Project and three constitute the Collurabbie Project. The combined projects cover approximately 477.6km^2 and the general location of these projects is shown in Figure 1.

Fisher East Project

The Fisher East Project is located approximately 430km north of Kalgoorlie, 223km north of Leonora and 145km northeast of Leinster in the North-Eastern Goldfields region of Western Australia. The Fisher East Project consists of eleven granted exploration licences covering a total of 330.6km^2. While the project has had considerable historical exploration, this has mainly been focused on the three nickel deposits of Camelwood, Cannonball and Musket where a combined total Mineral Resource estimate of 4.2Mt at 1.9% Nickel has been estimated (Table 3). There are also significant targets for nickel exploration within the project at multiple prospects on the basal contact of the ultramafic komatiite flow units within the greenstone belt. The mineralisation identified to date consists of massive, matrix and disseminated nickel sulphides. A significant target has been identified and partly drilled at the Sabre prospect where an Exploration Target has been defined in accordance with the JORC Code, as detailed in this Report, based on wide spaced drilling and geophysical surveys. Cannon has developed an exploration budget and strategy based on the previous exploration and existing targets at multiple prospects. The proposed exploration is dominated by drilling the existing targets with $2.91 million budgeted for exploration over the next two years. In VRM's opinion this budget and work program is justified and recommended.

Collurabbie Project

The Collurabbie Project is located approximately 430km to the north northeast of Kalgoorlie, 195km north of Laverton and 65km to the east of the Fisher East Project also in the North-Eastern Goldfields region of Western Australia. The project consists of three exploration licences covering a total of 147.1km^2. The previous exploration has resulted in an intrusive related nickel copper cobalt PGE total Mineral Resource estimate of 0.573Mt at 1.63% Ni, 1.19% Cu, 0.082% Co, 1.49g/t Pd, 0.85g/t Pt reported under the guidelines of JORC (Table 7). While in VRM's opinion there is limited potential to expand this resource there is considerable potential within the project for additional intrusion related base metal mineralisation along with exploration potential for gold within the project. Cannon has proposed an exploration program for the project totalling $1.18 million over the next two years. In VRM's opinion, this exploration budget is justified given the exploration potential.

Exploration Budget

Cannon has proposed an exploration budget of $4.09 million to test the targets within the granted tenements (assuming the maximum subscription is raised). This is the primary use of funds from the proposed capital raising. The exploration budget consists of $1.79 million in the first year and $2.3 million in the second year. VRM has reviewed the budget and work program and considers the gold and base metal targets justify additional work and considers the budgets reasonable, appropriate and in line with the current exploration costs. It is, in the opinion of VRM, considered likely that ongoing, targeted, and modern exploration activities would delineate extensions to the known mineralisation and identify additional mineralisation. It is recommended, subject to Cannon obtaining sufficient funding, that it proceeds with the proposed work programs.

A summary of the exploration budgets of the Company's projects is presented in section 9.

Should the capital raising be successful, VRM considers that the Company will have sufficient working capital to carry out its stated objectives and maintain the tenements in good standing by meeting or exceeding tenement expenditure commitments.

The Company has prepared staged exploration programs and budgets, specific to the projects, which are consistent with the findings of this report. VRM considers that the identified targets have sufficient technical merit to justify the proposed programs, and associated expenditure. The proposed exploration budget exceeds the minimum statutory annual expenditure commitments for the tenements for two years, which is $0.51 million per year.

Conclusions

Cannon holds 477.6km^2 of tenure across two prospective projects within the North Eastern Goldfields region of Western Australia. There is current strong market interest in high-quality nickel assets for the medium to long term electric vehicle / battery market. The Nickel Assets offer the opportunity for ongoing exploration to quickly build upon the current known nickel resources and new prospect areas.

There are JORC 2012 Mineral Resource estimates within the Nickel Assets. At this time, it is uncertain if the proposed exploration programs would result in additional JORC 2012 Mineral Resources being estimated or new Mineral Resources being delineated however the current interpretation indicates that the current Mineral Resources, particularly at Fisher East, are open and additional drilling may extend the current Resources at Fisher East.

The Nickel Assets contain or are adjacent to known mineral systems and prospects that have been actively explored by Rox Resources and previous owners with encouraging recent results.

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1. Introduction

Valuation and Resource Management Pty Ltd (**VRM**) was engaged by Cannon Resources Limited (**Cannon** or **the Company**) to prepare an Independent Technical Assessment Report (**Report** or **ITAR**). The Cannon commissioned report can be relied upon by Rox Resources (**Rox Resources**). This ITAR is to be included in a Notice of Meeting (**NoM**) issued by Rox Resources Limited (**Rox Resources**) and dated 26 May 2021 for the in-specie distribution of approximately 36,450,000 shares in the Company to eligible Rox Resources shareholders. The Mineral Assets include two projects being the **Fisher East Project** and the Collurabbie Project (**Nickel Assets**). The Nickel Assets are both located in the North Eastern Goldfields region of Western Australia (see Figure 1).

1.1.Compliance with the JORC and VALMIN Codes and ASIC Regulatory Guides

The ITAR is prepared applying the guidelines and principles of the 2015 VALMIN Code (**VALMIN**) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – the 2012 JORC Code (**JORC**). Both industry codes are mandatory for all members of the Australasian Institute of Mining and Metallurgy (**AusIMM**) and the Australian Institute of Geoscientists (**AIG**). These codes are also requirements under Australian Securities and Investments Commission (**ASIC**) rules and guidelines and the listing rules of the Australian Securities Exchange (**ASX**).

This ITAR is a Public Report as described in the VALMIN Code (Clause 5) and the JORC Code (Clause 9). It is based on, and fairly reflects, the information and supporting documentation provided by Cannon and previous owners and associated Competent Persons as referenced in this ITAR and additional publicly available information.

1.2.Scope of Work

VRM's primary obligation in preparing an ITAR is to independently describe mineral projects applying the guidelines of the JORC and VALMIN Codes. These require that the Report contains all the relevant information at the date of disclosure, which investors and their professional advisors would reasonably require in making a reasoned and balanced judgement regarding the projects.

VRM has compiled the ITAR based upon the principle of reviewing and interrogating both the documentation of Cannon and other previous exploration within the area. This Report is a summary of the work conducted, completed, and reported by the various explorers to 15 December 2020 based on information supplied to VRM by Cannon and other information sourced in the public domain, to the extent required by the VALMIN and JORC Codes.

VRM understands that its review and report will be included in the NoM, and as such, it is understood that VRM's review and valuation will be a public document. Accordingly, this report has been prepared in accordance with the requirements of the VALMIN and JORC Codes.

1.3. Statement of Independence

VRM was engaged to undertake an ITAR of the Nickel Assets in which Cannon will have an interest. This work was conducted applying the principles of the JORC and VALMIN Codes, which in turn reference ASIC Regulatory Guide 111 Content of Expert Reports (RG111) and ASIC Regulatory Guide 112 Independence of Experts (RG112).

Mr Paul Dunbar, Ms Deborah Lord and Ms Lynda Burnett of VRM have not had any association with Cannon, their individual employees, or any interest in the securities of the company or potential interest nor are they expected to be employed by the company post the IPO, which could be regarded as affecting their ability to give an independent, objective, and unbiased opinion. VRM will be paid a fee for this work based on standard commercial rates for professional services. The fee is not contingent on the results of this review and is estimated to be $40,000.

1.4. Competent Persons Declaration and Qualifications

This Report was prepared by Mr Paul Dunbar as the primary author with significant contributions by Ms Lynda Burnett and peer reviewed by Ms Deborah Lord.

This Report and the information in it that relates to geology, exploration results, Exploration Target and the technical assessment of the mineral assets and review is based on information compiled by and conclusions derived by Mr Paul Dunbar, BSc (Hons), MSc (Minex), a Competent Person who is a member of the AusIMM and the AIG. Mr Dunbar is a Director of VRM and has sufficient experience that is relevant to the style of mineralisation and type of deposit and technical assessment under consideration and to the activity being undertaken to qualify as a Competent Person under the 2012 JORC Code and a Specialist under the 2015 VALMIN Code. Mr Dunbar consents to the inclusion in this Report of the matters based on his information in the form and context in which it appears.

This Report and the information in it that relates to geology and exploration results is based on information compiled by Ms Lynda Burnett, BSc (Hons), MSc, a Competent Person who is a member of the AusIMM and the AIG. Ms Burnett is an associate of VRM and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person under the 2012 JORC Code. Ms Burnett consents to the inclusion in this Report of the matters based on her information in the form and context in which it appears.

This Report and the information in it that relates to the mineral assets technical assessment and review was peer reviewed by Ms Deborah Lord, BSc (Hons), a Competent Person who is a fellow of the AusIMM and a member of the AIG. Ms Lord is a Director of VRM, consultants in valuation and economic geology and has sufficient experience that is relevant to the style of mineralisation and type of deposit and technical assessment under consideration and to the activity being undertaken to qualify as a Competent Person

under the 2012 JORC Code and a Specialist under the 2015 VALMIN Code. Ms Lord consents to the inclusion in this Report of the matters based on her information in the form and context in which it appears.

The information in this Report that relates to the Mineral Resource for the Fisher East nickel sulphide deposits (viz. Camelwood, Cannonball and Musket) is based on information compiled by Mr Mick McKeown B.Sc. (Geology), Grad. Dip. Mining, M.Eng.Sci, a Competent Person who is a Fellow of the AusIMM. Mr McKeown has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr McKeown is Senior Geologist/Mining Engineer at consulting firm Mining One Pty Ltd, and he consents to the inclusion in this Report of the matters based on his information in the form and context in which it appears.

The information in this Report that relates to Mineral Resources for the Olympia deposit (Collurabbie project) is based on information compiled by Mr Lauritz Barnes and Mr Will Belbin. Both Mr Barnes and Mr Belbin are Competent Persons who are members of the AIG and have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Barnes is Principal Geologist at consulting firm Trepanier Pty Ltd and Mr Belbin was at the time the resource estimate was undertaken employed full-time by Rox Resources Limited. Both Mr Barnes and Mr Belbin consent to the inclusion in this Report of the matters based on their information in the form and context in which it appears.

1.5. Reliance on Experts

The authors of this report are not qualified to provide extensive commentary on the legal aspects of the tenure of the Nickel Assets or the compliance with the legislative environment and permitting in Western Australia. In relation to the tenement standing, VRM has relied on the information publicly available from the Department of Mines, Industry Regulation and Safety (DMIRS). On this basis VRM has confirmed the tenements are in Western Australia government records and understands that the tenements are in good standing and has confirmed as such with Cannon. Regarding the legal standing of the tenements that constitute the projects, VRM directs the reader to the Solicitor's Report included in the Rox NoM.

For Cannon's projects, VRM has relied upon:

- Information and Reports obtained from Cannon or Rox Resources including but not limited to:
  - Presentation material including several cross sections and plans,
  - Annual Technical Reports for the tenements,
  - WAMEX Reports for each of the project areas, and
  - Cannon internal reports.
- Various ASX releases including from previous owners and neighbouring companies.

- Publicly available information including several publications on the regional geology of the North eastern Goldfields and the Kurnalpi and Burtville Terrane's of the Eastern Goldfields Superterrane; and
- Government Regional WA datasets including Memoir 3, several bulletins published by the Western Australian Geological Survey (GSWA) and other regional datasets including geological mapping and explanatory notes.

The reader is referred to the Solicitor's Report within the NoM for further information on mineral tenure and the status of material contracts.

1.6. Sources of Information

All information and conclusions within this Report are based on information made available to VRM to assist with this report by Cannon and other relevant publicly available data to 15 May 2021. Reference has been made to other sources of information, published and unpublished, including government reports and reports prepared by previous interested parties and Joint Venturers to the areas, where it has been considered necessary.

Various statements in this Report attributable to third parties have been included without the consent of those parties and are publicly available from either government sources or the ASX or are otherwise geological information which is exempt from consent requirements in the Corporations Act, each in accordance with ASIC Corporations (Consents to Statements) Instrument 2016/72.

VRM has, as far as possible and making all reasonable enquiries, attempted to confirm the authenticity and completeness of the technical data used in the preparation of this Report and to ensure that it had access to all relevant technical information. VRM has relied on the information contained within the reports, articles and databases provided by Cannon as detailed in the reference list. A draft of this Report was provided to Cannon to identify and address any factual errors or omissions prior to finalisation of the Report.

1.7.Site Visit

A site visit to the Fisher East Project was conducted on 7 to 9 December 2020 by Mr Paul Dunbar and Mr Gregor Bennett of Rox Resources. Several of the drill collar locations were checked via a hand-held GPS to validate the company database. No site visit was undertaken to the Collurabbie project as VRM considered that no material information would be obtained from a site visit that would change the opinion or exploration targeting or strategy that has been proposed by the company for the Collurabbie Project.

During the last 25 years Ms Lord and Mr Dunbar have undertaken site visits to several nickel mines and exploration sites similar in geological setting to the mineralisation delineated at the Fisher East and Collurabbie Projects. Previous site visits have occurred to nickel projects including komatiitic hosted nickel exploration prospects, deposits, and mines at the Kambalda and Widgiemoltha domes, intrusive nickel deposits in Northern Western Australia and several nickel sulphide prospects deposits and mines in Canada.

During the Site Visits the following areas were observed:

Fisher East Project:

- The Camelwood, Cannonball, Musket, Sabre and several other prospects including those with recent drilling.
- Validated RC and Diamond drill collars, status of rehabilitation and core storage yard at the Camelwood core yard and Exploration camp.
- Confirmed the wide spaced nature of the bedrock exploration drilling along the basal contact of ultramafic komatiitic flow units within the greenstone belt.
- As expected, confirmed the lack of outcrop or any surficial geology due to the shallow regolith cover which is interpreted to be dominated by transported cover including lateritic material and alluvial sands.
- Reviewed recent RC drilling targeting Volcanic Hosted Massive Sulphide (VMS) mineralisation.

Fisher East Project Core Yard

Rehabilitated drill pads - Camelwood

Partly Rehabilitated Drill Collars - Cannonball

Recent RC Drill Collar

As shown in the photographs above the site visit indicated that the exploration activities at the Fisher East Project have been undertaken to a high standard with all core marked up and securely stored in a dedicated fenced core yard, rehabilitation has been undertaken to the extent possible for an active exploration site. Drill collars have been capped or plugged as possible. Additional hole plugging is required especially where the drill holes have been cased to allow future down hole geophysical testing, but it is recommended that the drill collars are capped while retaining the ability to access the casing for later geophysical surveys. Rehabilitation of the drill sites has been done at a high standard, no sample bags have been used in the exploration, and shallow ripping has occurred on most drill pads however deep ripping will still be required when exploration activities cease.

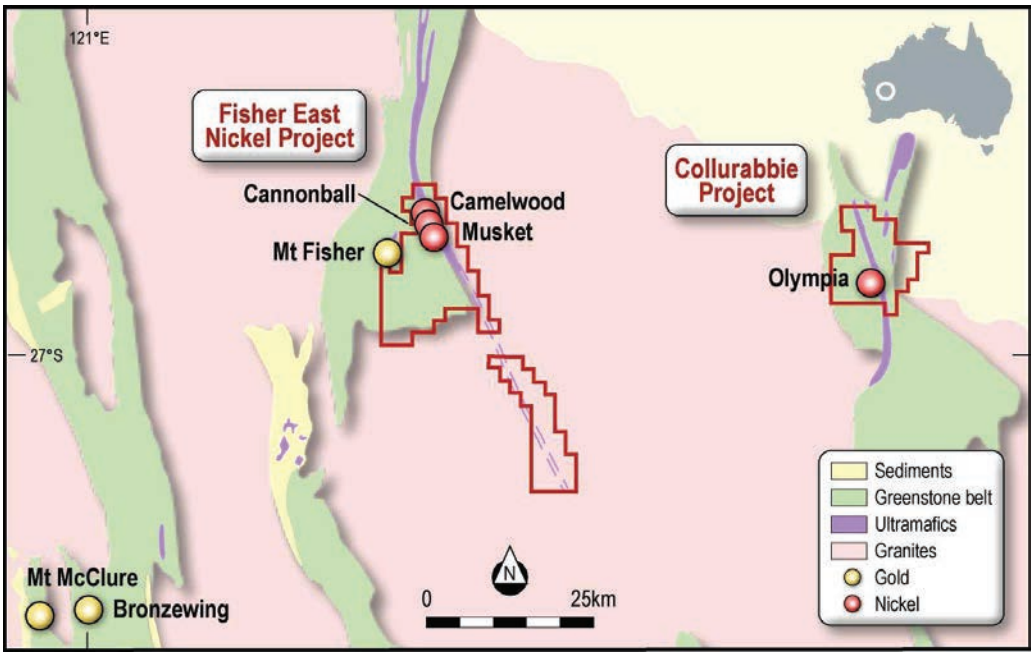
2. Mineral Assets

The Mineral Assets in this review include two projects being the North Eastern Goldfields Projects of Fisher East and Collurabbie. The Mineral Assets are summarised below in Table 1 and shown in Figure 1.

2.1. Mineral Tenure

Details of the Cannon tenements are included in Table 1 and the project locations are shown in Figure 1. The tenements have been validated via checking with the DMIRS Mineral Titles Online database. Figure 2 and Figure 3 detail the tenements for each project.

VRM has made all reasonable enquiries regarding the status of these tenements and confirms that to the best of VRM's knowledge these tenements remain in good standing with all statutory filings, reports and documentation including renewals supplied to the various government departments. As VRM and the authors of this report are not experts in the mining acts for Western Australia, no warranty or guarantee, be it expressed or implied, is made by VRM with respect to the completeness or accuracy of the legal aspects regarding the security of the tenure. VRM relies on the various government databases and websites which confirm Cannon's tenements are, at the time of this report, in good standing. Refer to the Solicitor's Report within the NoM for further information.



(Supplied by ROX)

Figure 1 - Location of the Cannon Nickel Projects

Table 1 - Tenement schedule as at 10 May 2021

Tenement	Registered Holder [5]	Project	Area	Status	Grant Date	Expiry Date	Interest
E38/2009	Rox	Collurabbie	9 BL	Granted	20-Oct-08	19-Oct-22	100% legal and beneficial interest
E38/2912	Rox	Collurabbie	7 BL	Granted	12-Sep-14	11-Sep-24	100% legal and beneficial interest
E38/3193	Rox	Collurabbie	32 BL	Granted	28-Jul-17	27-Jul-22	100% legal and beneficial interest
E53/1218	Rox	Fisher East	36 BL	Granted	8-Jan-07	7-Jan-23	100% legal and beneficial interest
E53/1318	Rox	Fisher East	7 BL	Granted	21-Sep-09	20-Sep-21	100% legal and beneficial interest
E53/1716	Rox	Fisher East	1 BL	Granted	3-Apr-13	2-Apr-23	100% legal and beneficial interest
E53/1802	Rox	Fisher East	10 BL	Granted	18-Aug-14	17-Aug-24	100% legal and beneficial interest
E53/1884	Rox	Fisher East	1 BL	Granted	24-Jan-17	23-Jan-22	100% legal and beneficial interest
E53/1885	Rox	Fisher East	1 BL	Granted	31-Oct-16	30-Oct-21	100% legal and beneficial interest
E53/1886	Rox	Fisher East	1 BL	Granted	31-Oct-16	30-Oct-21	100% legal and beneficial interest
E53/1887	Rox	Fisher East	1 BL	Granted	24-May-17	23-May-22	100% legal and beneficial interest
E53/1950	Rox	Fisher East	34 BL	Granted	14-Dec-17	13-Dec-22	100% legal and beneficial interest
E53/2018	Rox	Fisher East	1 BL	Granted	17-Sept-19	16-Sept-24	100% legal and beneficial interest
E53/2090	Rox	Fisher East	15 BL	Granted	3-Jun-20	2-Jun-25	100% legal and beneficial interest

Notes

1. All of the tenements are granted Exploration Licences.
2. Upon the transfer of the tenements from Rox Resources to Cannon being completed, Cannon will hold mineral rights for all minerals within the tenements excluding E53/1218 where Rox Resources will retain the gold rights and Cannon will have rights to all other minerals pursuant to a split commodity agreement between Rox Resources and Cannon
3. See the Solicitor's Report in the NoM for details on tenure related agreements.
4. VRM understands that the tenements will all be transferred from Rox Resources to Cannon Resources as a part of the Initial Public Offer (IPO).
5. Rox - Rox Resources Limited

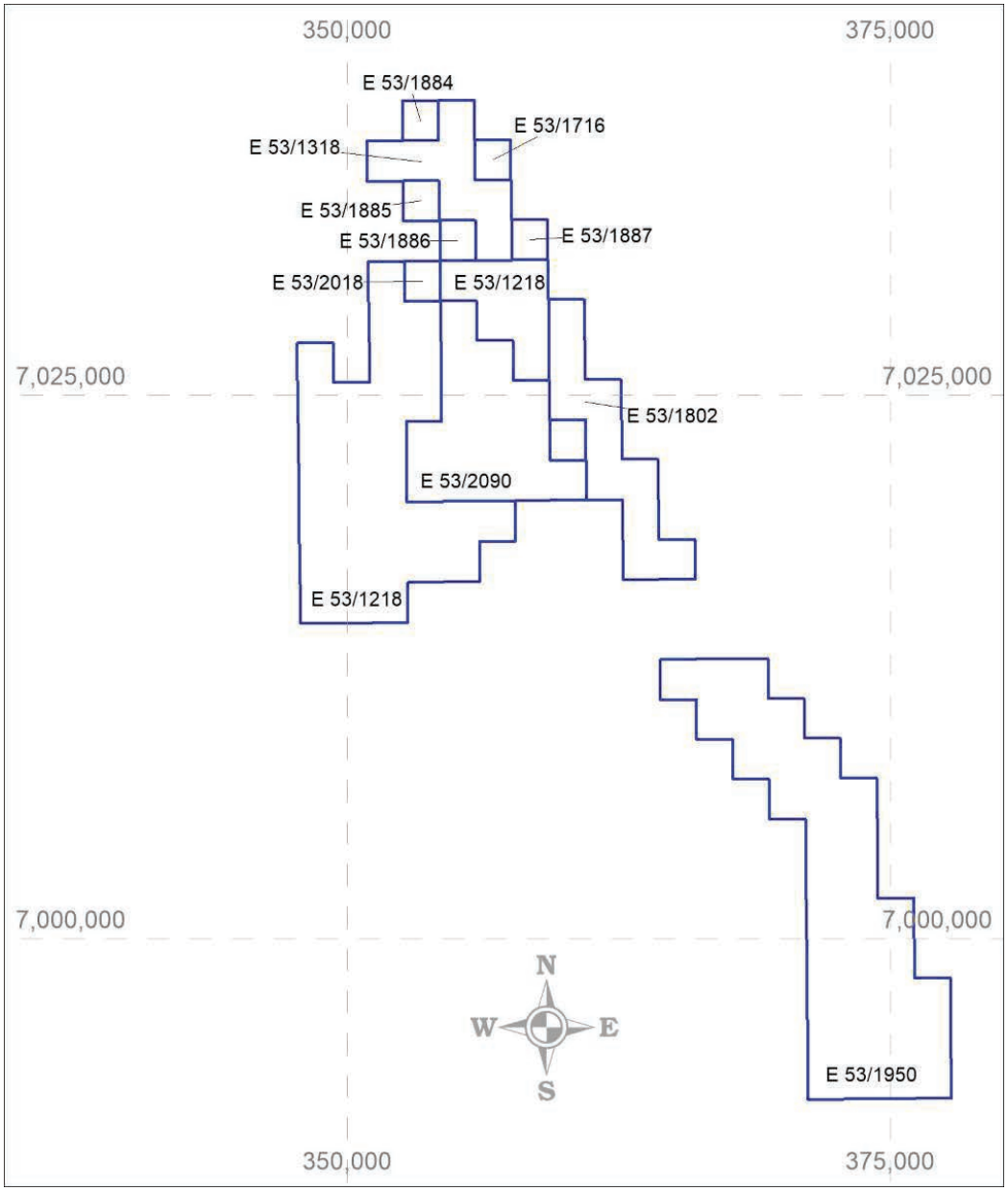
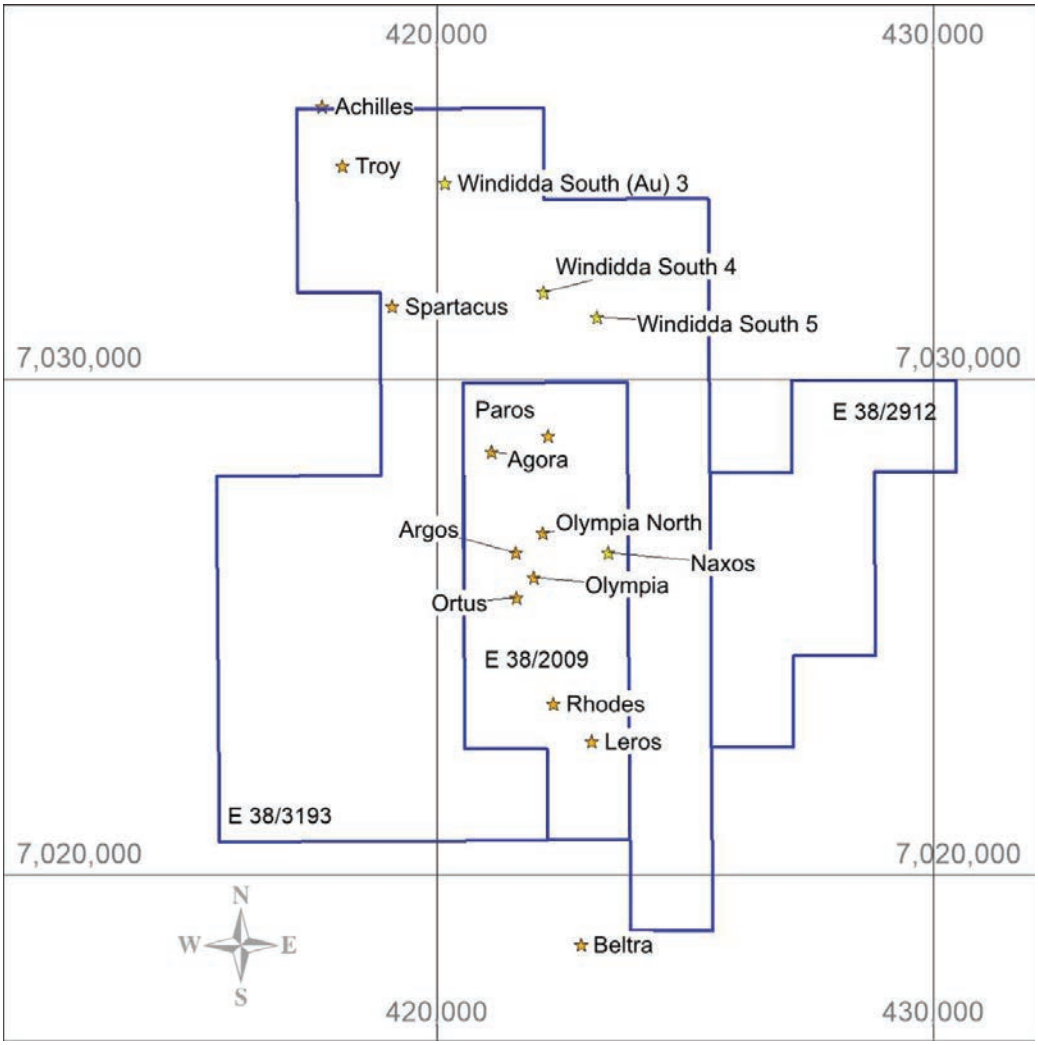


Figure 2 - Fisher East Project – Tenement layout as at 10 May 2021



Note Nickel prospects in orange and gold prospects in yellow.

Figure 3 - Plan of the Collurabbie Project Tenements and Prospects as at 10 May 2021

3. Combined North Eastern Goldfields Projects

The Nickel Assets are located over 400km to the north east of Kalgoorlie and have similar access, infrastructure, climatic conditions, topography, and regional geology, therefore information on these sections have been combined and are detailed in section 3.1 to section 3.4 while the project specific geology and exploration are detailed in separate sections below. JORC Tables for the project areas are appended to this report.

3.1. Location and Access – North Eastern Goldfields Projects

The combined Nickel Assets, being the Fisher East and Collurabbie Projects, consist of 13 tenements as detailed in Table 1 above, within the North Eastern Goldfields of Western Australia. Access from Perth is via Kalgoorlie, via the sealed Great Eastern Highway.

The Fisher East Project is located about 430km north of Kalgoorlie with access via the main northern Kalgoorlie-Wiluna highway. The turnoff onto the Wonganoo road is located about 60km north of Leonora. A series of station tracks and fence lines facilitate access throughout the project area. The central part of the project area is located 34km north of the Wonganoo homestead.

The Collurabbie Project is located approximately 220km east of Wiluna and 240km north of Laverton in the North - Eastern Goldfields Province of Western Australia. Access to Laverton is via the main northern Kalgoorlie-Wiluna highway then by turning east at Leonora along the Laverton-Leonora road. Southern access is gained from Laverton along the Bandya Road and then north along the Urarey – Warren Bore road and related fence line tracks. An alternative access route is from Wiluna via the Gunbarrel Highway and Old Windidda Station access road.

Figure 1 shows the regional location of the Nickel Assets and prospects within the projects, while Figure 4 shows tenement outlines and access.

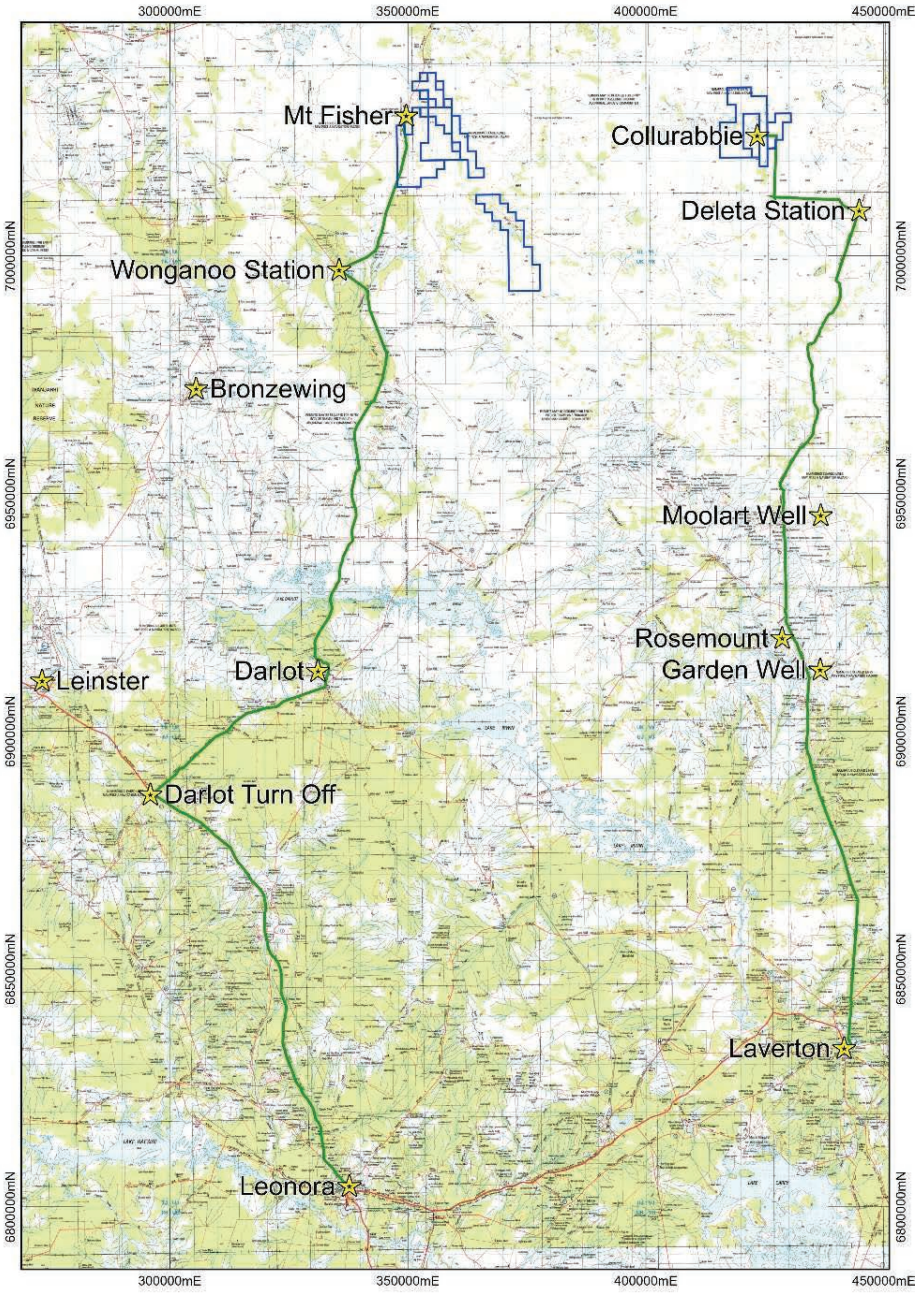
Kalgoorlie Boulder is serviced by daily commercial flights to a sealed all-weather airport. There are several smaller sealed and unsealed airstrips within the region including at Laverton, Leonora, Leinster, specific mine site related airstrips and several smaller pastoral airstrips.

3.2.Climate – North Eastern Goldfields Projects

The North-eastern Goldfields region has a semi-arid climate with hot summers and mild winters. The climatic information, sourced from the Bureau of Meteorology (www.bom.gov.au), is for the Leinster Aero weather station. During January, the mean maximum temperatures is 37.3°C with, on average, more than 10 days over 40°C. In July, the average maximum is 19.0°C and mean low is 6.1°C. It is rare for the minimum to fall below zero. Most of the rainfall, which averages 259.3mm per year, occurs in the December to April period with an average of approximately five to six days of rain per month.

Rainfall during the summer period is dominated by scattered thunderstorms with occasional tropical rain bearing depressions (ex-tropical cyclones) that commonly impact the Pilbara region of Western Australia with these systems often affecting the North-Eastern Goldfields region several days after crossing the Pilbara coast. The bulk of the winter rainfall occurs as cold frontal associated rain which impacts the southern half of Western Australia.

Generally, in VRM's opinion and based on experience working in the area, the climatic conditions do not have a significant impact on the ability to undertake exploration throughout the year.

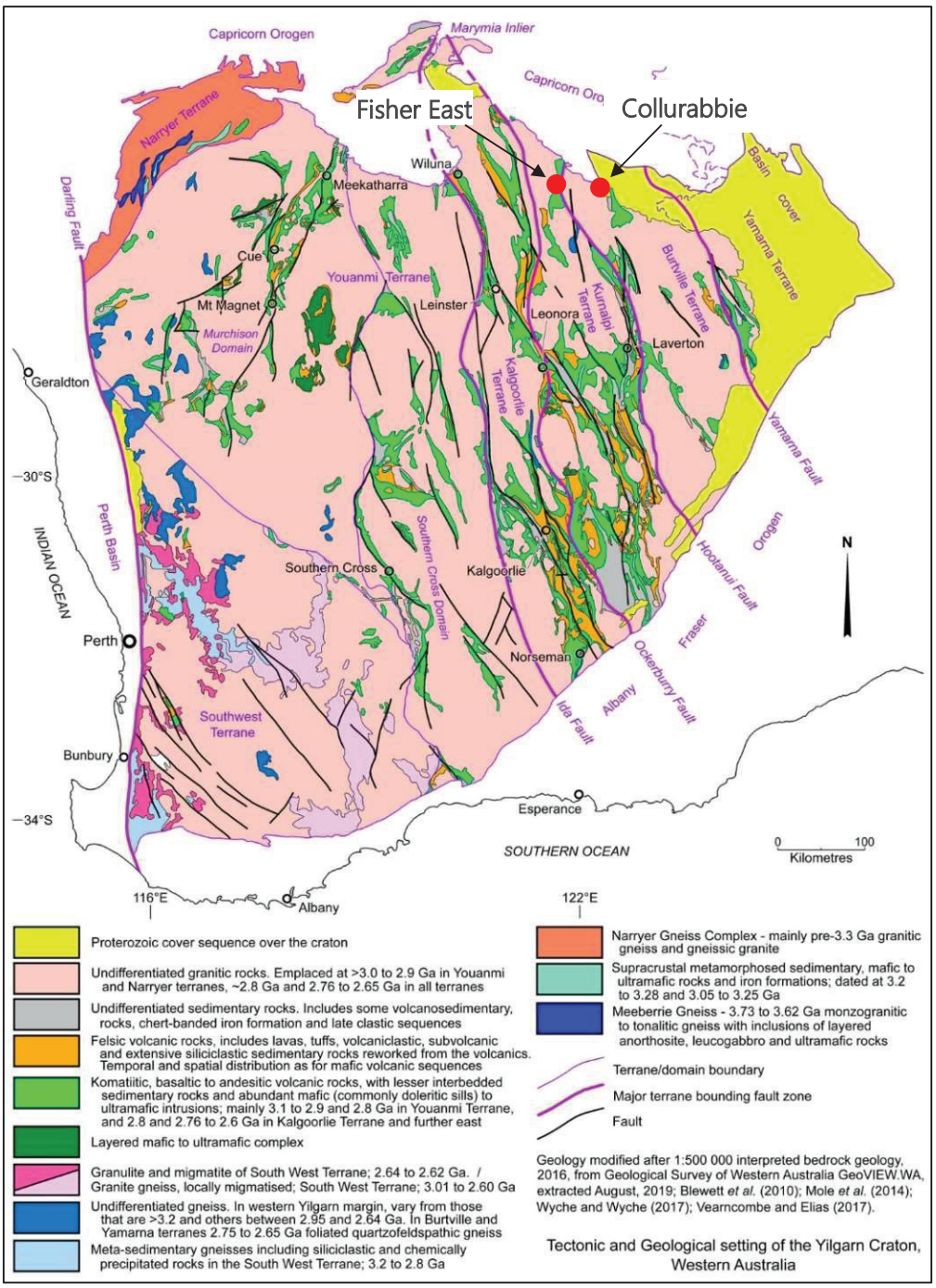


(Supplied by ROX)

Figure 4 - Location and Access of the North-eastern Goldfields Project Tenements

3.3.Regional Geology – North Eastern Goldfields Projects

Located within the Eastern Goldfields Superterrane of the Yilgarn Craton, the Fisher East Project is part of the north eastern Kurnalpi Terrane. The Kurnalpi Terrane lies to the east of the Kalgoorlie Terrane, and is bounded to the west by the Ockerburry Shear Zone and bounded to the east by the Hootanui Fault, both crustal scale faults (Figure 5).

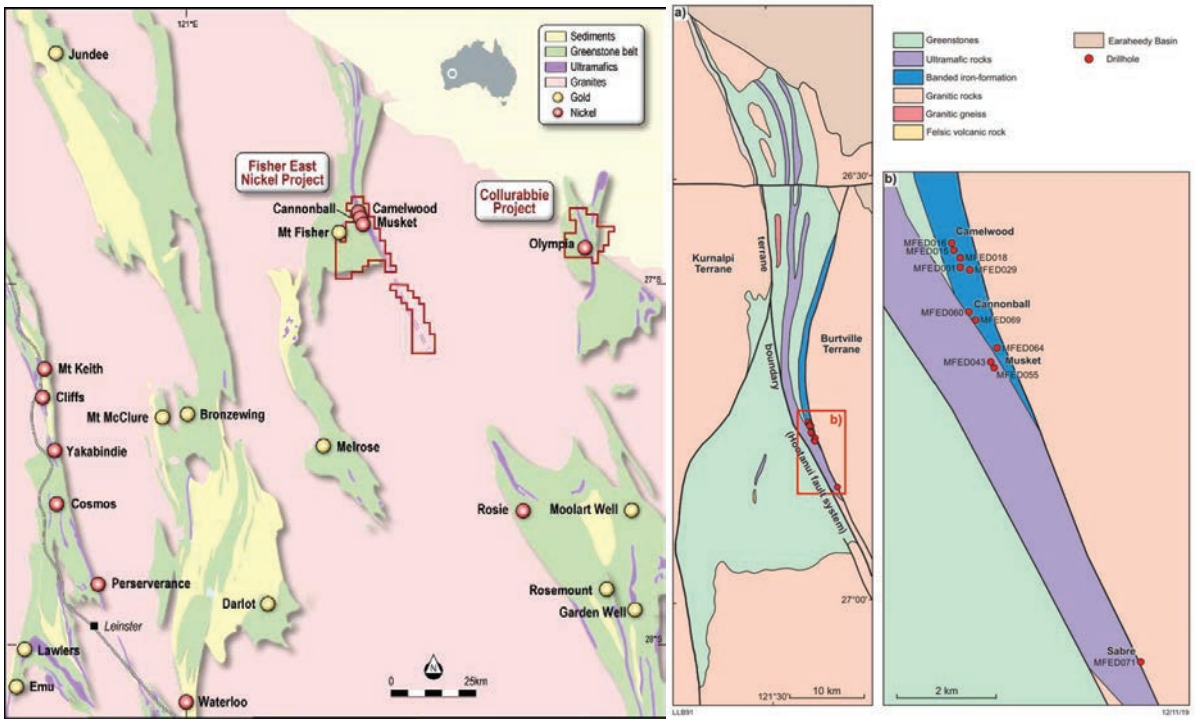


Source Blewett et.al. (2010) (referenced throughout this Report without consent)

Figure 5 - Regional geological setting of the Fisher East and Collurabbie Projects, Yilgarn Craton Western Australia

The geology of the Fisher East Project area is dominated by a north south to north northwest – south southeast trending Archean greenstone belt known as the Mt Fisher Greenstone Belt. The belt, which outcrops sporadically along the eastern edge of the Wiluna 1:250,000 map sheet (Farrell, 1999) (referenced throughout this Report without consent), is interpreted as the eastern limb of the Wonganoo Anticline.

The greenstone belt is a complex sequence of refolded tholeiitic to high magnesium basalts with numerous dolerite to gabbroic intrusives and lesser felsic volcaniclastics, intrusives, interflow sediments and talc-chlorite ultramafics. The Wonganoo Anticline is truncated by a major north-south trending structure which lies immediately to the west of the Fisher East Project tenements. Regional metamorphism throughout the project area is interpreted to have peaked at mid-greenschist, with higher contact metamorphic grade occurring proximal to the eastern greenstone / granite contact (Hill et al, 2001) (referenced throughout this Report without consent).



(GSWA)

Figure 6 - Regional Geological Setting of the Fisher East Nickel and Collurabbie projects North-Eastern Goldfields Superterrane

The regolith profile is well developed with cover from 10m to 80m with defined paleochannels draining to the north west. Outcrop of chert and banded iron formation occurs locally around the Mt Fisher gold mine but is rare elsewhere.

The Collurabbie Project area is located within the Burtville Terrane of the Eastern Goldfields Superterrane, which lies east of the Kurnalpi Terrane (Figure 6). Bunting (1980) (referenced throughout this Report without consent) describes the Eastern greenstone belt which hosts the Collurabbie Project as follows.

"The Archean geology in the district comprises a north-northwest striking greenstone sequence and voluminous granitoid batholiths. The greenstone sequence comprises felsic, mafic, ultramafic, and sedimentary units, although the only units to crop out at surface are chert and BIF ridges. The Archean sequence is exposed at surface in the southern part of the tenement but becomes progressively buried by the onlapping Proterozoic sediments of the Earaheedy Basin to the northeast. The Proterozoic sedimentary package consists of a basal peletal haematitic chert horizon overlain by quartzite, dolomite, and siltstones. Proterozoic dykes transect the area with a broadly east-west orientation. The dykes are easily identified using aeromagnetic imagery and also out-crop to form pronounced east-west trending ridges within the district. The Archean stratigraphy in the area has been metamorphosed to upper greenschist/lower amphibolite facies."

Mineralisation

The Kurnalpi and Burtville Terranes host one previous nickel mine, with the Mt Windarra nickel deposits which operated from the early 1970s until the mid-1990s processing 5.3Mt of ore at 1.5% Ni. The Windarra deposit is outside the Cannon tenure. Other nickel prospects and deposits occur in both Terranes however none have proven economic to date.

More recently, exploration by Rox Resources has further defined the north east trending eastern-most ultramafic Fisher East belt as overturned talc-carbonate altered high MgO meta-komatiites. The main package of mineralised ultramafic rocks (termed the Camelwood Ultramafic) varies in thickness from just a few metres to 80m wide and is bounded by hanging wall basalts and meta-amphibolite's with a footwall felsic schist of sedimentary or volcaniclastic origin. Nickel sulphide mineralisation occurs primarily on the eastern basal stratigraphic footwall contact and is semi-continuous for over 2km. Nickel resources of 4.2Mt at 1.9% Ni are currently defined at Camelwood, Cannonball and Musket (Rox ASX release 5 February 2016 and Rox 2020 Annual Report ASX release 30 September 2020).

Many of the nickel sulphide deposits of the Eastern Goldfields Superterrane are hosted by ultramafic volcanic rocks including those at Fisher. They are best developed at, or close to, the base of komatiite lava flows, generally concentrated in depressions that were probably scoured by the lava flows through thermal erosion. The Fisher, Rosie and AK47 discoveries all lie adjacent to the Kurnalpi Burtville Terrane Boundary. Mt Windarra, Emu Lake, and Talc Lake all lie within the Kurnalpi Terrane (Burley et al, 2016) (referenced throughout this Report without consent) (Figure 7).

The Burtville Terrane hosts a number of nickel prospects in addition to Collurabbie including Talc Lake, Cambridge Dragon and Mulga Tank. The mineralisation at Collurabbie is more typical of intrusion related nickel deposits with strongly anomalous associated copper and platinum group elements (PGE).

Orogenic gold mineralisation occurs in all domains in a variety of structural and metamorphic settings. The structures can, in virtually all cases, be late in the deformation history. Faults related to granitoid emplacement are mineralised in places. Mineralisation is broadly contemporaneous with peak regional

metamorphism, and associated alteration assemblages correlate broadly with regional metamorphic grade. Alteration assemblages are controlled locally by increasing CO_2 content of the auriferous hydrothermal fluids towards the centre of the mineralised structure (Swager et al, 1995) (referenced throughout this Report without consent). In the Kurnalpi terrane a number of examples of proximal intrusion-related orogenic gold deposits in sub to mid-greenschist facies settings are also noted (Witt et al 2017) (referenced throughout this Report without consent) such as Carosue Dam and Wallaby.

(Burley et al, 2016)

Figure 7 - Regional Geology of the Eastern Goldfields Superterrane with location of nickel deposits and prospects

3.4.Regional Exploration History – Eastern Goldfields Projects

The Kalgoorlie region has been the focus for mineral exploration in Western Australia since the discovery of gold in the region in the 1890's. Continued prospecting and modern exploration has led to the discovery of some of the largest gold deposits in the world including the now +60 million ounce Golden Mile deposits at Kalgoorlie and discovery of the world class nickel deposits in the Kambalda region in the 1960's.

In the 1980s and 1990s open pit gold mining commenced at Mt Fisher and around Duketon and Laverton further to the south of the Nickel Assets. Many of the deposits were discovered drilling beneath "old timers" old workings from the early 1900s. Nickel sulphides in the Mt Fisher area were first discovered by WMC Resources Limited (**WMC**) in the early 2000s, 20km immediately north of the Fisher East Project northern tenement boundary. The first nickel sulphides at the Collurabbie Project were identified by WMC in joint venture with Falcon Minerals Limited (**Falcon Minerals**) in 2003 (ASX: WMC 15 July 2003 Quarterly Report) (referenced throughout this Report without consent).

4. Fisher East Project

Prior to Rox Resources acquiring the project in 2011 the Fisher East Project tenements had minor historical exploration for gold. The nickel potential in the ultramafic stratigraphy was initially confirmed when massive nickel sulphide mineralisation was drilled by WMC 2003. This drilling was 20km to the north and along strike of the tenements.

4.1. Local Geology

The geology represents the eastern most margin of the Mt Fisher Greenstone Belt with the nickel prospective ultramafic package forming a north east trending magnetic high ridge in the airborne magnetic data. Detailed drilling indicates the geological sequence is overturned, dipping steeply to the north east and younging to the west.

The Fisher East Project deposits consisting of Camelwood, Cannonball and Musket, are typical Archean komatiite-associated deposits having affinities with Kambalda-style Type 1 contact ores (Lesher, 1989; Barnes, 2006; Burley and Barnes, 2019) (referenced throughout this Report without consent).

Belbin et al, (2017) WAMEX A115165 (referenced throughout this Report without consent) describes the mineralisation at Camelwood as extending over several hundred metres along the basal contact with a typical sequence of massive sulphides (pyrrhotite + pentlandite ± pyrite ± violarite ± chalcopyrite) stratigraphically overlain by matrix and disseminated sulphides (pyrite + pentlandite ± pyrrhotite ± violarite). The massive to semi-massive sulphide layer is mostly thin (<0.5 m) but thickens up to 2–3 m around the main ore zone. The basal footwall-sulphide contact is fairly uniform, although evidence of mixing between the two units is seen in drill core with rip-up clasts within massive sulphide and sulphide veins up to several metres into the footwall. The massive sulphide zone at Musket (0.5–1 m thick) occurs as a small, discrete steeply north-plunging high-grade shoot (10– 20% Ni) with a thick zone (>10 m) of matrix and disseminated mineralisation.

At Cannonball, mineralisation is variable with zones of stringers, disseminated and blebby sulphide mineralisation over thicknesses of 1–5m.

Using U-Pb zircon secondary ion mass spectrometry (SIMS) via sensitive high resolution ion microprobe (SHRIMP II), felsic volcanic and metasedimentary footwall rocks to the mineralised komatiites were dated as between ca 2960 and 2940 Ma, indicating the komatiites and Ni-Cu-PGE mineralisation are <2940 Ma (Mole, Burley and Barnes, 2016) (referenced throughout this Report without consent). The concordant nature of the felsic rocks and komatiites indicates the komatiites are close in age to the footwall rocks. A single date from the hanging wall volcaniclastic rocks at Camelwood constrains the age of komatiite volcanism at Mt Fisher to 2940 Ma – ca 2840 Ma.

4.2.Previous Exploration

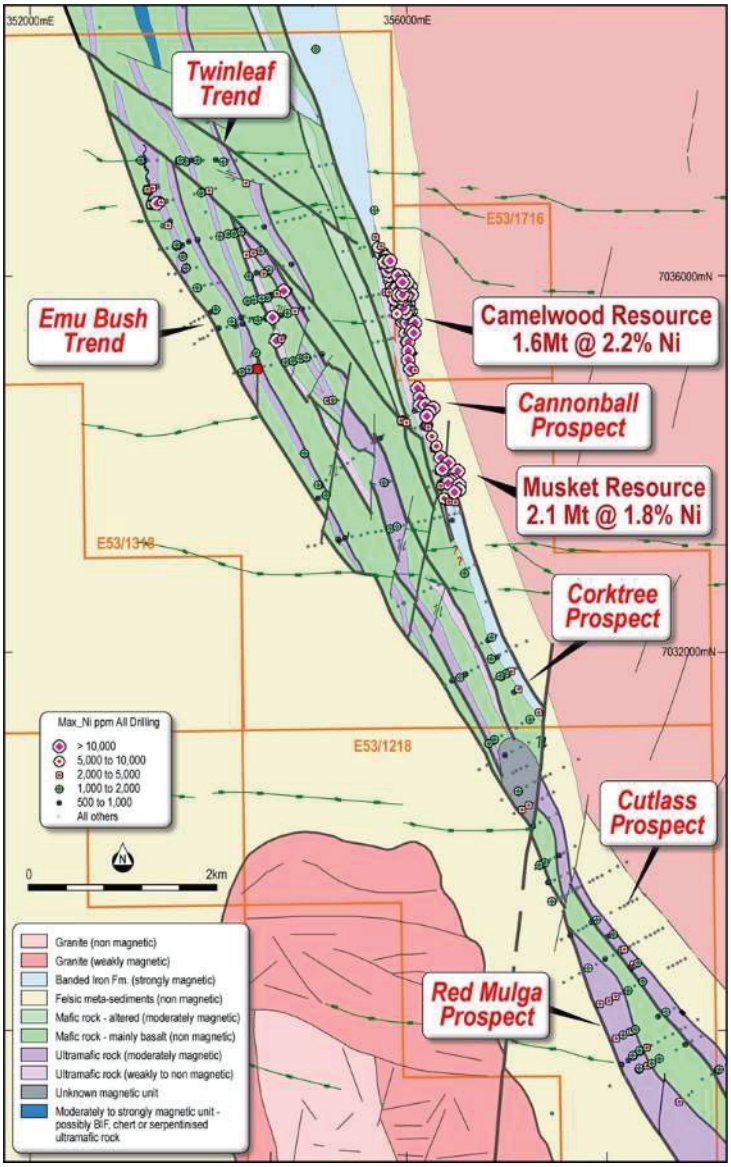
Prior to Rox Resources commencing work in 2011, the project had undergone almost no historical nickel exploration other than remote airborne regional surveys and minor prospecting. During 2011 Rox Resources conducted airborne magnetics on 50m line spacing and VTEM surveys over three areas one of which covered the northern most part of the prospective ultramafic package.

In October 2012 Rox drilled 34 Rotary Air Blast (RAB) holes and five follow up Reverse Circulation (RC) holes to test the MFA-04 and MFA-05 VTEM targets. The RAB results announced on 5 October 2012 returned 12 metres grading 0.12% Ni from 32 metres downhole at MFA-05 with the best nickel in RAB geochemistry lying directly over the VTEM anomaly. RAB results at MFA-04 returned shallow intercepts such as 28m at 0.28% Ni and 8m at 0.4% Ni with anomalous copper and PGEs.

On 19 December 2012 Rox Resources announced a nickel discovery at MFA-04 with semi massive and strongly disseminated sulphide intersections observed in five RC holes. The results returned an intersection of 20m at 1.1% Ni in hole MFEC004, including 6m at 1.4% Ni and 5m at 1.5% Ni. The other holes returned 2m at 1.6% Ni in hole MFEC001, 4m at 2.0% Ni in hole MFEC002, 2m at 2.2% Ni in hole MFEC003 and 1m at 3.0% Ni in hole MFEC005. MFA-04 was renamed Camelwood.

The first diamond hole MFED001 returned 11.4m at 2.9% Ni from 282.6m including 2.9m at 4.7% Ni. Ground electromagnetic (EM) and further airborne EM surveys were subsequently conducted over the ultramafic package and the mineralisation was drilled extensively over the next year to define a maiden Mineral Resource at Camelwood in 2013. In the following years, mineralisation was identified at Cannonball and Musket with Mineral Resources also defined at those prospects. The current Mineral Resource estimate for the project is detailed in the Resource section below.

During 2015 the Sabre Discovery was made around 7km to the south of Camelwood with initial intercepts of 10m at 1.9% Ni and 16m at 1.3 % Ni and preliminary metallurgical studies were completed for the Camelwood, Cannonball and Musket deposits.



(Rox Combined Annual report to Mines Dept 2014 WAMEX A103986).

Figure 8 - Geology of the Fisher East nickel belt as known in 2014 showing drilling, Camelwood and Musket Resources (as at 2014) and nickel prospects.

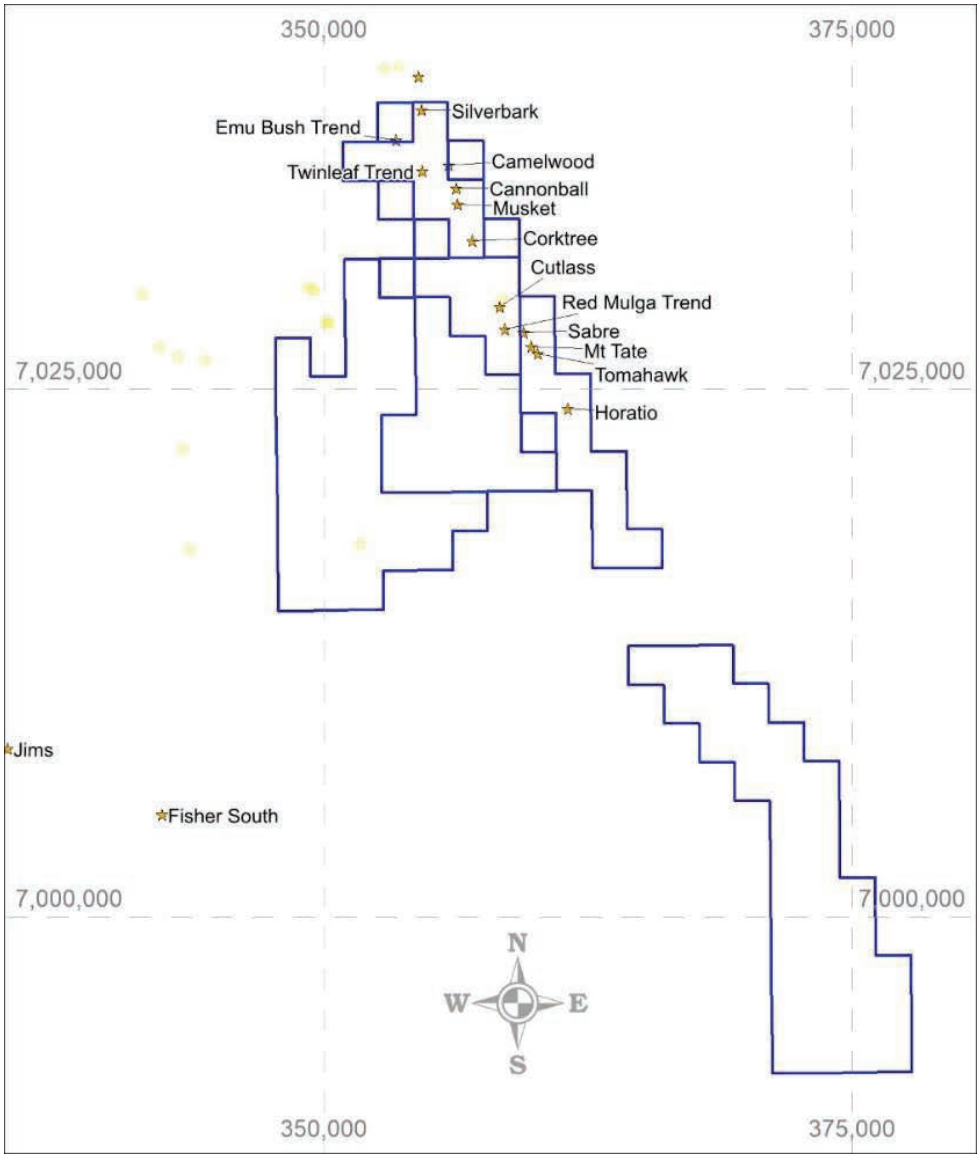
The most recent drilling was conducted in 2018 following up DHEM targets.

Results included:

- 4.3m at 2.0% Ni from 701.7m in hole MFED080 at Musket, including 0.3m of massive sulphides at 8.1% Ni from 701.7m.
- 2.4m at 2.4% Ni from 718.3m in hole MFED076W1 at Camelwood, including 0.2m of massive sulphides at 5.2% Ni from 718.9m, and
- 0.3m at 7.5% Ni of massive sulphides from 288.8m in hole MFED081.

Mineralisation remains open down dip at Camelwood, Cannonball and Musket as shown in Figure 11 which also shows several modelled EM conductors based on downhole EM surveys conducted at each of the prospects.

Figure 9 shows the locations of the various prospects within the Fisher East Project. Since the initial discovery at Camelwood additional prospects have been identified along the basal contact of the ultramafic units on the eastern portion of the greenstone belt. These prospects, shown in Figure 9 have been identified by shallow Aircore or RAB drilling, geophysics with sparse deeper RC and Diamond drilling at selected prospects.



Note nickel prospects in orange and gold prospects in yellow.

Figure 9 - Plan of the various nickel prospects within the Fisher East Project as at 10 May 2021.

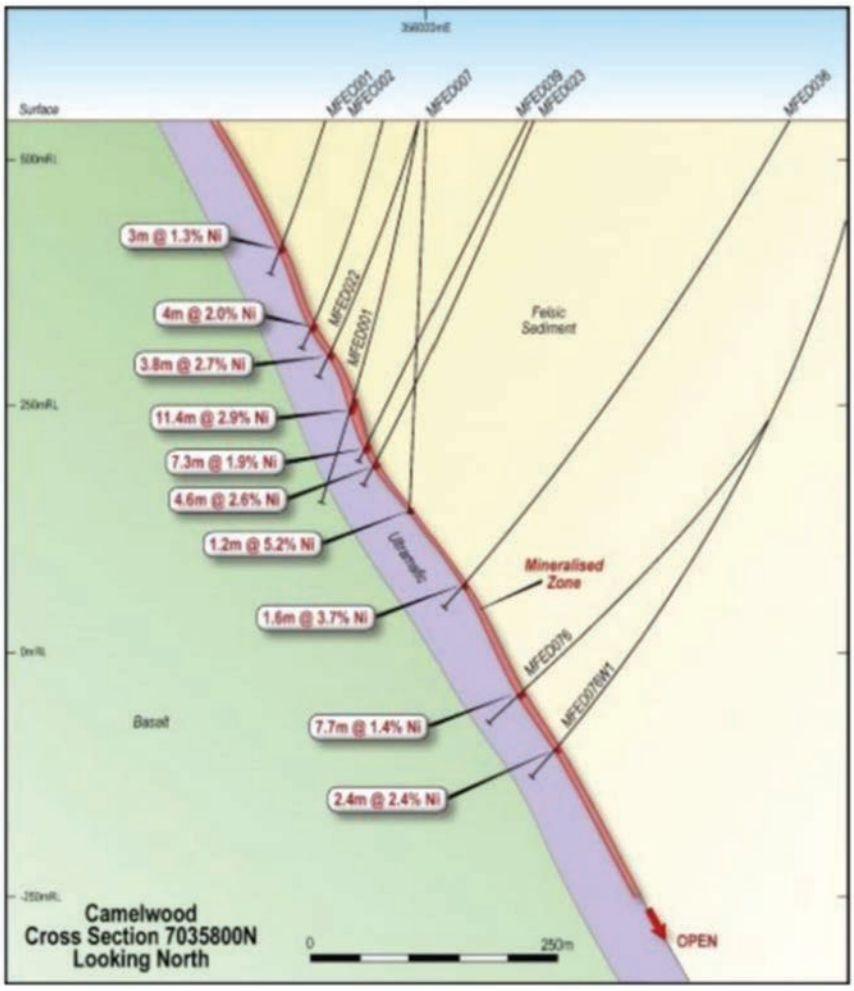
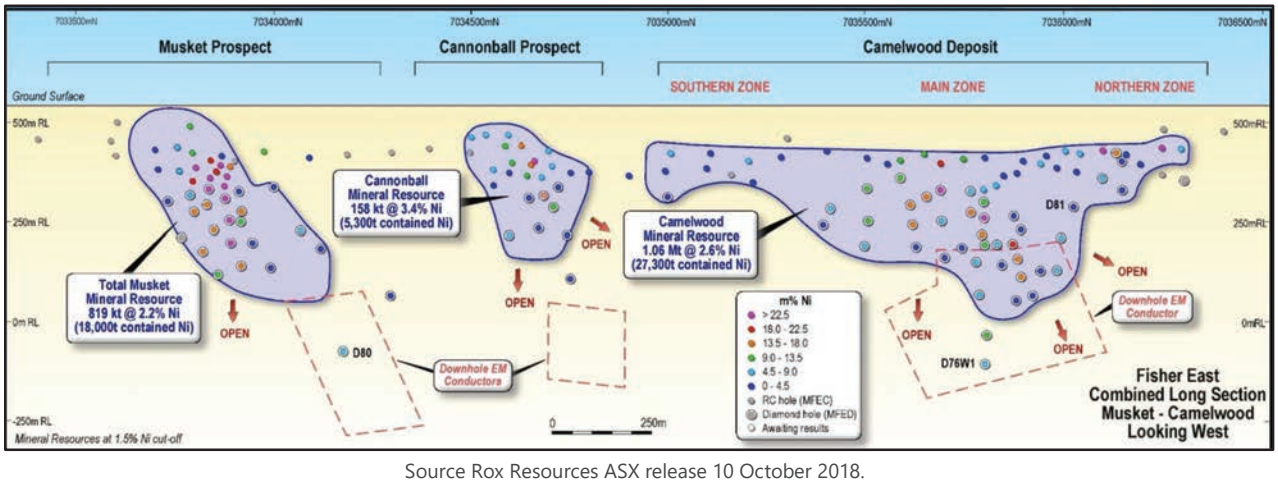


Figure 10 - Cross Section at Camelwood, showing intercept in MFED076W of 12.4m at 2.4% Ni from 718.3m

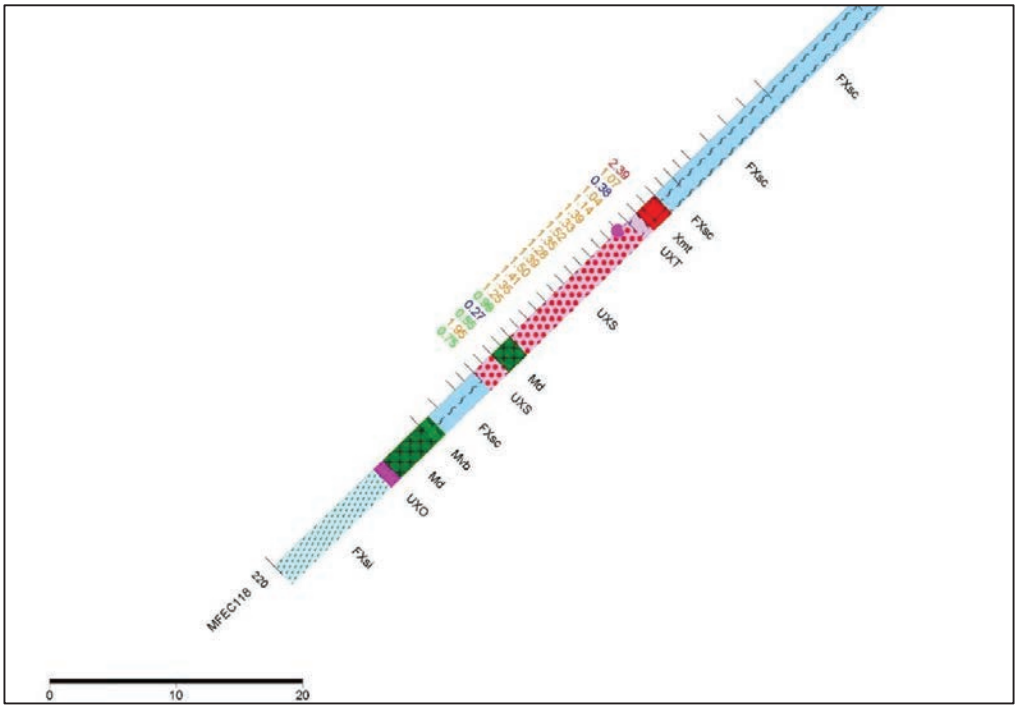


Source Rox Resources ASX release 10 October 2018.

Figure 11 - Long section Fisher East Deposits, showing most recent drilling and Down Hole EM conductors

The Sabre prospect, 7km to the south of Camelwood, consists of mineralised high MgO ultramafic rocks tabular lenses of mostly disseminated mineralisation ranging from 2m to over 20m thick with a strike length

of over 500m. Commonly the ultramafic unit is mineralised between mostly felsic margins (Figure 12) with narrow intervals of massive sulphides in multiple holes at or near the eastern basal contact.



Note Blue lithologies are felsic, green mafic intrusives and pink are ultramafic rocks with nickel grades labelled.
Source: Rox Resources

Figure 12 - Sabre prospect cross-section showing the broad disseminated nickel mineralisation.

Drilling is mostly very wide-spaced except for some of the upper-southern part of the deposit where RC drilling has been undertaken on a nominal 50m x 80m spacing. Figure 13 shows a long section of the mineralisation and DHEM conductor plates.

An Exploration Target at Sabre of 2.0 – 2.5 Mt at 1.5 - 2.5% Nickel has been identified based on RC and diamond drilling and geophysics (EM) with significant additional work required in this prospect. VRM has reviewed the work that has been used to determine the Exploration Target which has been determined by 3D modelling of the known mineralisation from drilling and the geological interpretation. The model excludes weathered material which is considered standard for estimation of sulphide mineralisation. VRM however cautions that the potential quantity and grade of the Exploration Target is conceptual in nature, there has been insufficient exploration undertaken to estimate a Mineral Resource and that it is uncertain if further exploration will result in the estimation of a Mineral Resource. To seek to confirm the Exploration Target tonnage and grade range it is considered likely that focussed exploration over at least two years would be required. VRM understands that Cannon are planning additional exploration and drilling at the Sabre prospect.

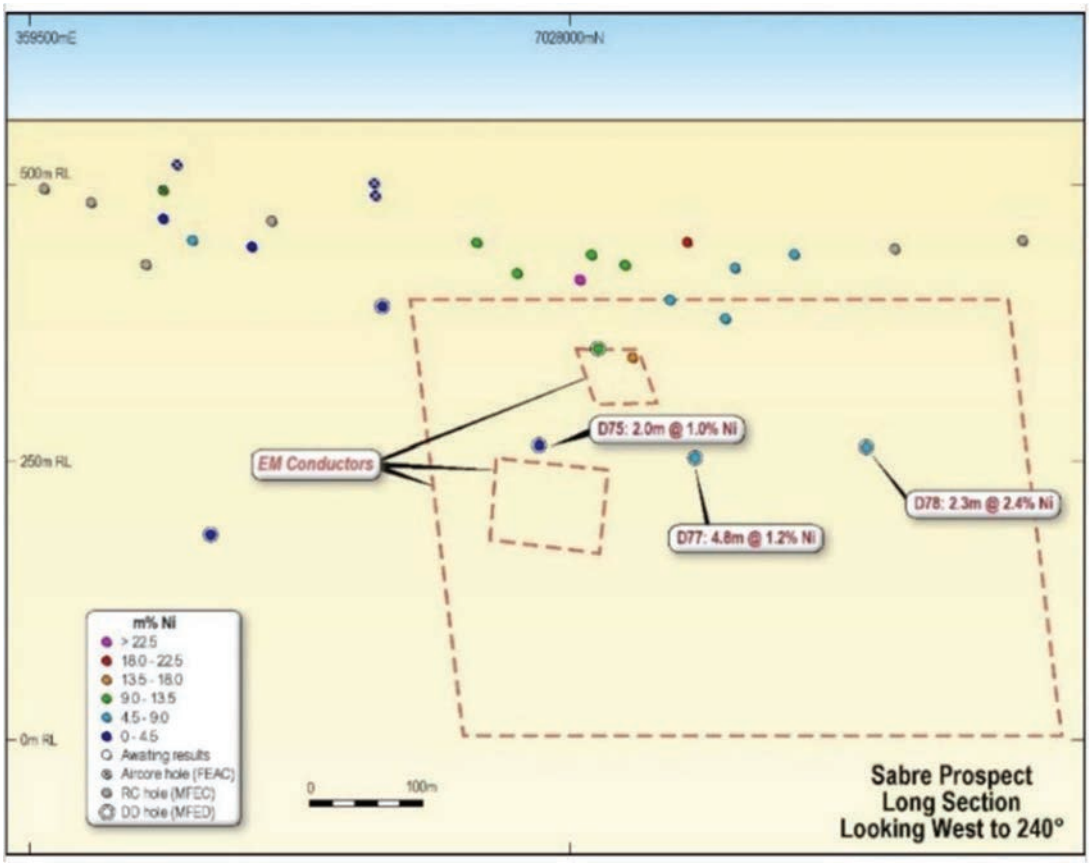


Figure 13 - Long section Sabre Prospect, showing most recent drilling and Down Hole EM conductors

Other Regional Targets

In 2016 and 2017 new zones of nickel mineralisation were intersected from RC and aircore drilling at the Cutlass to Claymore prospects from 2 to 10km south of the existing deposits along the south east trending prospective ultramafic package (Figure 14). The drilling largely tested EM anomalies.

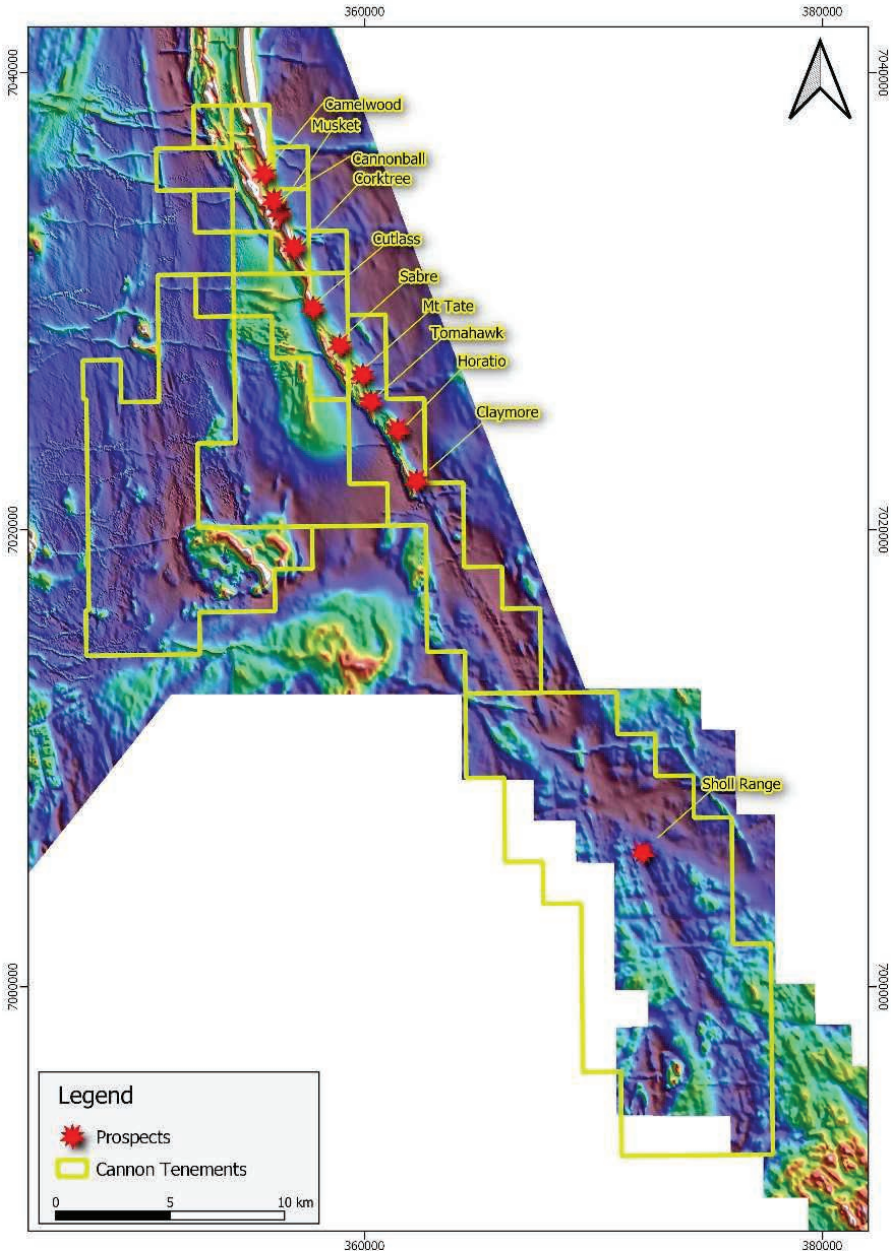
Figure 15 shows the location of the detailed in Table 2 with the results overlain on the grey scale magnetic images along the prospective basal ultramafic trend.

Sholl Range

The Sholl Range prospect is located approximately 20km south of the main Fisher East deposits. Aircore drilling in 2018 identified ultramafic rocks under shallow cover in an area previously interpreted as granite. Anomalous nickel and copper values were intersected near surface over substantial thicknesses and over at least 800m of strike.

Highlights include:

- 17m at 0.52% Ni, 67ppm Cu, 308ppm Co from 4m depth in hole SRAC036,
- 16m at 0.62% Ni, 43ppm Cu, 267ppm Co from 16m depth in hole SRAC037, and
- 13m at 0.45% Ni, 34ppm Cu, 221ppm Co from 8m depth in hole SRAC049



Note The tenement outlines have changed due to a partial surrender to E53/1802.

Figure 14 - Detailed Airborne Magnetics (RTP) with tenements and Nickel Deposits and Prospects

Table 2 Significant drill intersections from 2016 and 2017 regional exploration drilling

Prospect	Hole Id	Hole Type	From	To	Interval	Ni(%)	Cu (ppm)	PGE Pd+Pt+Au (ppm)
Sabre North	FEAC447	Aircore	58	70	12	0.20	213	0.115
	Inc		58	64	6	0.17	344	0.184
Mt Tate	FEAC402	Aircore	64	68	4	0.28	179	0.043
	FEAC406	Aircore	60	62	2	0.29	195	0.035
Horatio	FEAC408	Aircore	35	50	15	0.24	64	0.032
	FEAC415	Aircore	24	40	16	0.35	109	0.023
Claymore	FEAC379	Aircore	48	65	17	0.38	46	0.011
(MTVTEM-06)	FEAC421	Aircore	19	42	23	0.52	45	0.008

From Rox ASX releases 25 August 2015 and 11 October 2016,

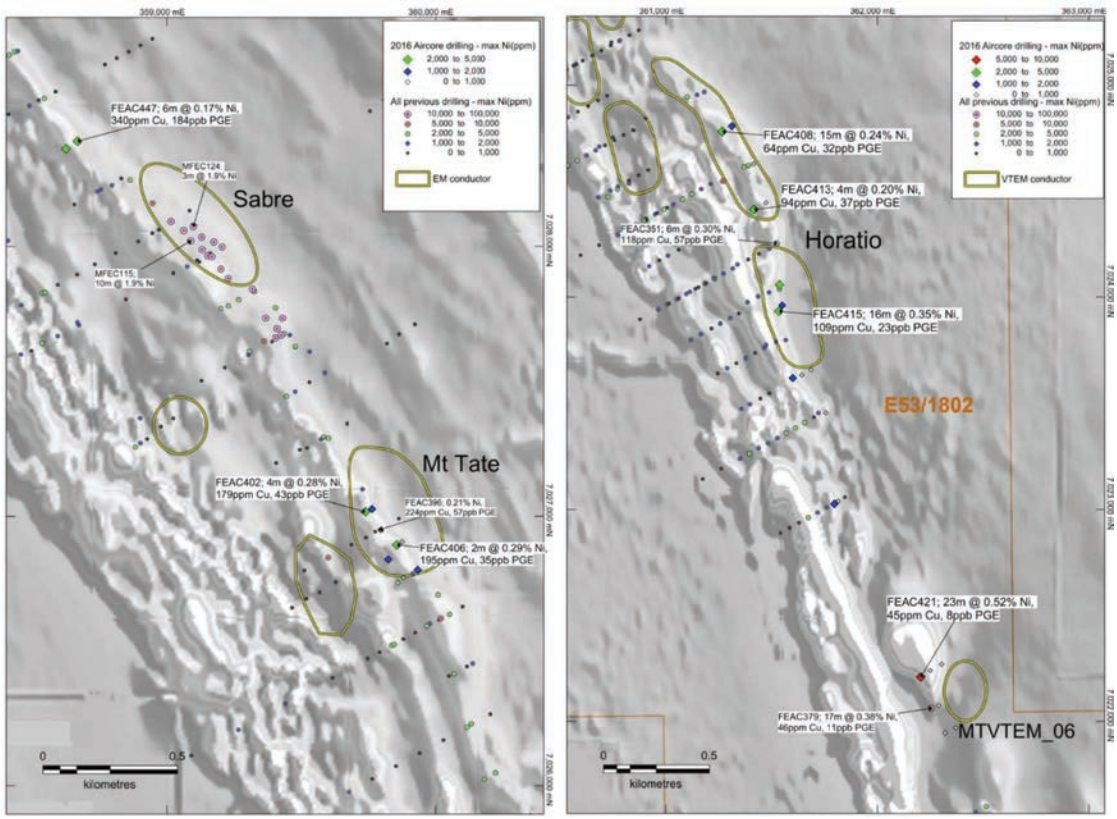


Figure 15 - Plan view of regional along strike prospects showing Aircore and RC anomalies

4.3.Mineral Resource Estimates

The most recent JORC 2012 Mineral Resource Estimates on the Fisher East Project were conducted by Mining One (McKeown, 2015 and Rox ASX release 5 February 2016) The following is a summary from that report.

The deposits are layered with three layers having been identified:

- highest grade Ni in massive and semi-massive sulphide.
- higher grade Ni in matrix and minor disseminated sulphide.
- lower grade Ni in sparse disseminated sulphide.

Mineral Resources were estimated for the three deposits. The highest grade layer does not occur at the Cannonball prospect. Block models with a parent block size of 25m (north-south) X 10m (east-west) X 5m (vertical) with sub-celling allowed to a minimum block size of 1.562m X 0.625m X 0.312m to allow for good representation of the geological interpretation.

The total sulphide content of the mineralisation has the most influence on the density. Bulk densities for the three deposits were based on the correlation between sulphur content and densities measured on drill core. Bulk densities in the mineralisation ranged from 2.8 to about 4.5 tonnes per cubic metre. All tonnage estimates were made in dry tonnes. A cut-off grade of 1% nickel was applied. Table 3 shows the estimates of the individual bodies as described above.

Table 3 - Mineral Resource estimate Fisher East Project

Deposit	Category	Tonnes (Mt)	Grade Ni %	Contained Metal Nickel (kt)
Camelwood	Indicated	1.7	2.0	34.0
	Inferred	0.3	1.5	5.0
	TOTAL	2.0	1.9	39.0
Cannonball	Indicated	0.24	2.9	7.0
	Inferred	0.02	1.9	0.3
	TOTAL	0.26	2.8	7.3
Musket	Indicated	1.8	1.7	30.0
	Inferred	0.1	1.5	1.6
	TOTAL	1.9	1.7	31.6
Total	Indicated	3.7	1.9	71.0
	Inferred	0.5	1.5	7.0
	TOTAL	4.2	1.9	78.0

Extracted from Rox Resources 2020 Annual Report and as reported in Rox Resources ASX release of 5 February 2016.

Below is a summary of the resource information, extracted from the Rox ASX release of 5 February 2016 as required by the JORC code including the grade tonnage curves (Figure 16) and the breakdown of the grade

tonnage by deposit (Figure 17). For more detail, please refer to Appendix: Table 1, Sections 1 to 3 included below.

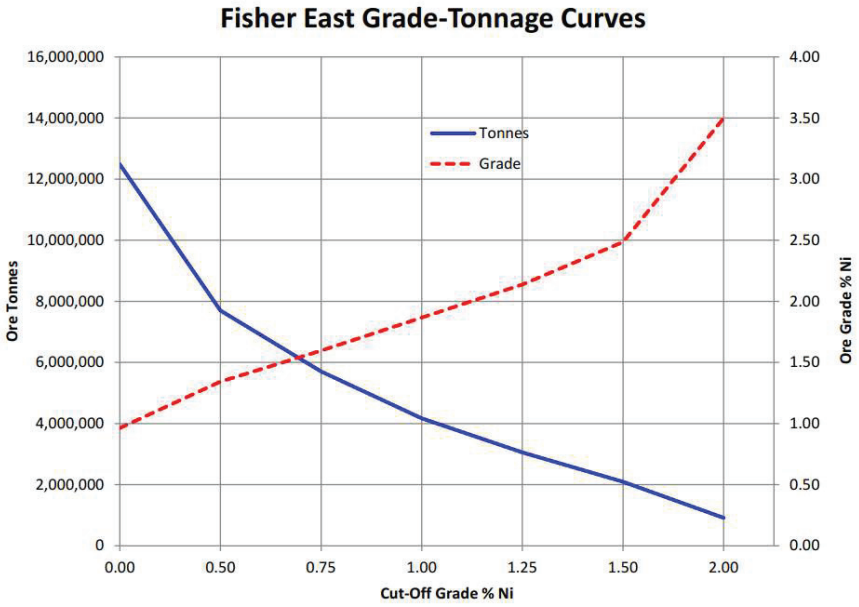


Figure 16 Grade Tonnage Curve for the combined Camelwood, Cannonball and Musket Deposits

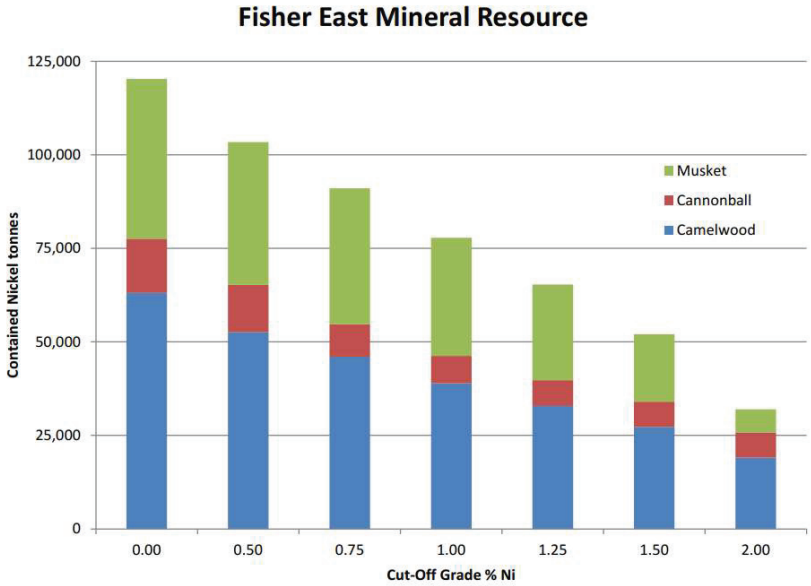


Figure 17 Total Resource Camelwood, cannonball and Musket based on Cut-off grade and deposit.

Geology and Geological Interpretation

The Camelwood, Cannonball and Musket deposits are located within the Fisher East Project, situated in an Archaean terrain metamorphosed to upper greenschist/lower amphibolite facies and comprises a N-NNW striking greenstone sequence flanked by large granitoid. The greenstone comprises felsic, mafic, ultramafic and sediments in an overturned stratigraphic sequence. The Archaean sequence is partly exposed at surface and is often obscured by deep weathering. Several later (Proterozoic) diorite dykes dissect the area with a

broadly E-W orientation. Nickel mineralisation is located within the ultramafic sequence of the greenstone belt, with three layers of sulphides recognised within the deposits being massive and semi massive sulphide with these being the highest grade, higher grade mineralisation described as matrix with minor disseminated sulphide and sparse disseminated (lower grade) mineralisation.

Drilling Techniques and Drill-hole Spacing

Several phases of drilling have been in the Camelwood, Cannonball and Musket deposits within the Fisher East Project. With the drilling at a nominal 40 m by 40m to 80m by 80 m spacing using a combination of 5.5" (140 mm) face sampling reverse circulation percussion (RC) and diamond drill (DD) holes. Core size was dominantly NQ2 size diameter. The following drilling were used for this resource estimation:

- Camelwood: 38 RC holes for 6470.0m and 41 DD holes for 15,56.2m.
- Cannonball: 21 RC holes for 3,618.0m and 10 DD holes for 3,566.0m.
- Musket: 25 RC holes for 4,594.0m and 20 DD holes for 7,565.1m.

Holes were drilled towards grid west at varying dips to intersect the mineralised zones at close to perpendicular.

Sampling and Sub-Sampling Techniques

Sample information used in the resource estimation was derived from both RC and diamond core drilling. RC drilling was sampled in one metre intervals. Diamond drilling was sampled to geological intervals, resulting in samples between a minimum of 0.1m up to a maximum of 1.5m. QC procedures involve the use of Certified Reference Materials (CRM's) as assay standards, along with duplicates and barren waste samples. The insertion rate of these was approximately 1:20.

Sample Analysis Method

Drill core was cut in half on site using a core saw. All samples were collected from the same side of the core, preserving the orientation mark in the retained core. RC samples were collected on the drill rig using a cone splitter.

Sample preparation followed industry best practice. This involved oven drying, coarse crushing of diamond core to ~10mm, followed by pulverisation of the entire sample to a grind size of 85% passing 75 microns. The analytical techniques involved a four-acid digest followed by multi-element ICP / OES analysis, and a 25g fire assay with a mass spectrometer finish for Au-Pt-Pd.

Cut-off Grades

A cut-off grade of 1.0% N was used based on a nickel price of $14,000/t which implies that material with a contained metal value of about AUD$140 could be treated at a profit, which seems reasonable. This was also the cut-off grade used for previous resource estimates.

Estimation Methodology

Grade estimation by Ordinary Kriging (OK) and nearest neighbour was completed for nickel and sulphur using Surpac software. Samples were composited to 1m. Successful variography for Ni and S allowed Ni and S grade estimation of the higher and lower grade zones using OK. While the massive sulphide zones

(with the highest grade) the use of ordinary kriging was not possible, therefore the grades of these zones were attributed to the blocks based on the average grades of nearest neighbour estimates. The block model was constructed created using a 10m E by 25m N by 5m RL parent block size with sub-celling to 0.625m E by 1.562m N by 0.312m RL to achieve reasonable three dimensional modelling of the mineralisation. Estimation was completed at the parent cell scale. The parent cell size in the north-south direction was about half the nominal cross-section spacing. Validation of grade estimates were made by comparing average global grades made by ordinary kriging with average global grades estimated by a nearest neighbour method, and average global grades based on the averages of composited grades. There was reasonable to excellent agreement among all average global grades. No top-cutting was required as all high grade samples were accounted for within highest grade zone of massive and semi-massive sulphide and the data contain no outliers. Search ellipse sizes were set to ensure that Ni and S grades were estimated for all blocks in the model; this required a maximum search distance of 300m.

Classification Criteria

Classification of the Mineral Resources was based on the geological continuity of the mineralisation. For parts of the deposits, where drilling intensity was adequate to define the zone shapes and extents reasonably reliably were classified as Indicated Mineral Resources, generally where the general drilling pattern was at a nominal 50m X 50m spacing. Beyond the Indicated Mineral Resource, the resource was classified as Inferred.

Mining and Metallurgical Methods and Parameters

Based on the orientations, thicknesses and depths to which the nickel mineralisation has been modelled, as well as the estimated nickel grades, the potential mining method is considered to be underground mining. There has been systematic metallurgical test work carried out for the deposits however there have been no assumptions build into the resource model. Based on comminution and flotation test work of samples from the key Fisher East deposits, a processing flowsheet has been developed consisting of three-stage crushing, grinding, flotation, concentrate handling and tailings disposal. Metallurgical recoveries from the test work included 97 to 100% recovery into 12% Ni concentrate from massive sulphide material and 74 to 81% recovery into 12% Ni concentrate from disseminated sulphide.

4.4.Metallurgy

Rox has undertaken multiple metallurgical studies on the mineralisation from Camelwood, Cannonball and Musket. Table 4 summarises all of the metallurgical test work conducted on the Fisher East Project. .
Key observations of the Fisher East Project mineralogy include:

- The main nickel minerals are pentlandite and violarite.
- Pentlandite is the dominant nickel bearing mineral in the primary mineralogical zone.
- Violarite is the dominant nickel bearing mineral in the transitional mineralogical zone.
- Chalcopyrite is present in low quantities.
- The main sulphide gangue minerals are pyrrhotite and pyrite.
- The non-sulphide gangue minerals include talc and carbonates (magnesite/siderite/dolomite).

The implications of the mineralogy detailed above on the metallurgy include:

- Violarite can have slower flotation kinetics than primary sulphides such as pentlandite. However, slower flotation kinetics of the transitional nickel minerals has not been observed in the test work.
- Pyrite and pyrrhotite will require depression in order to prevent them reporting to the flotation concentrate.
- Pyrrhotite can contain between 0.6% and 1.5% by mass nickel in solid solution, which is a nickel recovery loss if the pyrrhotite is rejected to the final tailings.
- Talc (MgO bearing) is considered to be the most problematic non-sulphide gangue mineral due to its hydrophobicity and the associated difficulty in separating it from the sulphide concentrate.

Table 4 - Summary of Metallurgical Test work

Resource Zone	Nickel Head Grade (%)	Primary Grind Size (µm)	Rougher Nickel Grade (%)	Rougher Nickel Rec. (%)	Fe : MgO Ratio	Bond Ball Mill Work Index (kWh/tonne)	Bond Abrasion Index
Camelwood Primary Disseminated	2.4	75	6.3	86.2	12:1	10.9	0.027
Camelwood Primary Massive	6.7	53	12.2	96.7	13:1	-	-
Cannonball Transitional Semi-Massive	5.4	32	11.7	79.9	4:1	-	-
Musket Transitional Disseminated	2.5	32	4.1	46.5	0.5:1	-	-
Musket Primary Disseminated	2.1	75	10.3	84.2	4:1	-	-
Musket Primary Massive	20.0	75	23.0	99.7	111:1	-	-

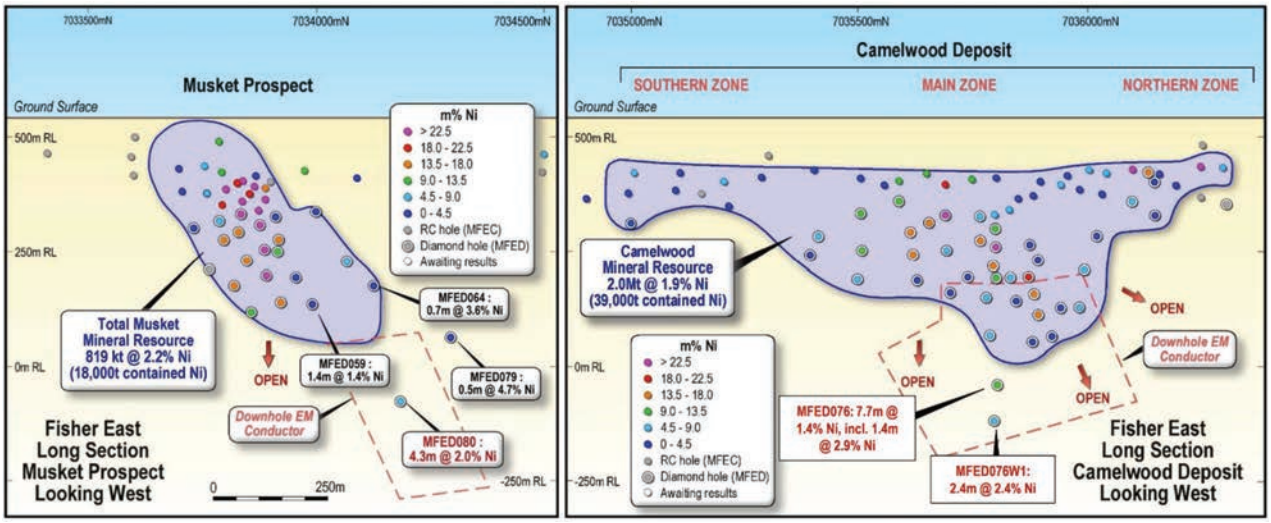
Based on the metallurgical studies a potential nickel flotation flowsheet for the Fisher East was developed.

4.5.Scoping Studies

A conceptual scoping study was completed by Rox Resources Limited on the Fisher East Nickel Project in 2015. This study was subsequently updated in 2018. The results of both the original study and the updated study were released on ASX. The Directors of Cannon are of the opinion that the cost and revenue assumptions used in the updated study are out of date. Further, they also consider that the underground mine design parameters in the scoping study are likely to change significantly in the event Cannon commissions a scoping study on the Fisher East Nickel Project. Accordingly, the Directors of Cannon do not consider the results of the historical scoping studies completed by Rox to be current nor material, and investors should disregard those results.

4.6.Exploration Potential

Further diamond drilling is considered warranted targeting shallow mineralisation at the northern end of Musket (Figure 18) and to follow-up intersections at depth from MFED076W1 at Camelwood and MFED080 at Musket where down hole EM indicates further mineralisation (Figure 18). In addition to the aim of seeking to identify extensions to the current resources there are significant shallow aircore anomalies that warrant additional deeper drilling.



(Source Rox Resources)

Figure 18 - Long section detail of Musket and Camelwood deposits showing Down Hole EM conductors and mineralisation open down dip and plunge.

South of the known deposits many of the aircore anomalies and EM targets from Cutlass to Claymore require further drilling with mineralisation open north south and down dip.

VMS potential

During 2020, Rox Resources commissioned an external consultant to undertake a structural assessment and review of the nickel mineralisation at the Fisher East Project. During the review quartz-pyrite-pyrrhotite-chalcopyrite and sphalerite veining with associated chert bands were noted in footwall and hanging wall volcanic sediments immediately adjacent to the nickel mineralisation. This work noted that these zones had the similarities to exhalative VMS style mineralisation and recommended assessing the project area for VMS potential. Additional work was undertaken and a consulting geologist with specialist VMS experience identified four potential VMS prospects / targets. There has been no dedicated follow-up work undertaken within these targets however it was identified that the entire Mt Fisher Greenstone belt should be considered prospective for VMS mineralisation with multiple stratigraphic positions being potentially targeted. Additionally, while there has been extensive historical drilling much of that has ignored the potential for VMS mineralisation and quality multi-element assay data is scarce.

VRM considers the VMS potential a significant early stage exploration opportunity, especially given the extensive landholding, lack of previous exploration, multiple potential stratigraphic targets and the historical drilling samples which could be cost effectively re assayed for VMS pathfinder elements.

5. Collurabbie Project

5.1. Local Geology

The geology in the project area comprises a north-northwest striking greenstone sequence known as the Gerry Well Greenstone Belt. Monzogranite batholiths are interpreted to flank the greenstone sequence in the eastern and western extremities of the project area. The greenstone sequence comprises felsic, mafic, ultramafic, and sedimentary units, although the only units to crop out at surface are chert and BIF ridges. Regional metamorphism is typical of mid greenschist to lower amphibolite facies. Dating of a tonalite to the south west of the project within the interpreted belt, Lu et al (2020) (referenced throughout this Report without consent) indicates that the rocks are of Archean age at 2713Ma.

The structural framework of the Collurabbie Project comprises several generations of disruption beginning with an east west extensional phase D_e followed by a north south compressional fold and thrust D_1 event and an east west compressional fold and thrust D_2 event.

- The D_e – east west regional extension event is evident in north south to north northwest-south south east trending rift and normal fault structures.
- The D_1 – north south compressional event is evident in south verging, recumbent F1 folds and low angle reverse thrust fault structures.
- The D_2 – an east west compressional event with resulting upright F_2 folds form a major east verging synclinal fold structure. F_1 fold axes and thrust faults are now sub-vertical in orientation, having been folded into F_2. D_e rift structures are now evident as low angle reverse faults. (Merriner 2005, BHPB Internal Report) (referenced throughout this Report without consent)

Locally the stratigraphic sequence consists of footwall basalt and hanging wall dolerite to basalt which has been intruded by mafic to ultramafic rocks including gabbro, peridotite and various pyroxenitic units which host the nickel sulphides. The intrusion geometry is mostly sill like.

In 2004 Falcon Mineral's joint venture partner Western Mining Corporation (**WMC**) announced the intersection of high-grade massive nickel-copper-sulphide mineralisation at the Olympia Prospect including 5.77m at 3.0% Ni, 1.9% Cu, 5.3g/t PGE (WMC/FCN ASX release of 17 November 2004).

Nickel sulphide mineralisation was identified in two parallel ultramafic sills, known as Beta and Gamma. The Olympia massive sulphide mineralisation occurs in the Gamma Sill. Disseminated nickel sulphide mineralisation occurs in the Beta Sill. The two north north-west trending horizons extend over 20km in strike and are covered by alluvial sands in the south and Proterozoic sediments in the north.

The Gamma sill at Olympia has average thickness of 20m and generally consists of a basal peridotite unit (+\- massive and/or matrix sulphide), overlain by a variably mineralised wehrlite that has a sharp but conformable transition to an olivine clinopyroxenite. The olivine clinopyroxenite displays a gradational transition to an overlying gabbronorite of varying thickness. The gabbronorite unit terminates into the

country rock hanging wall succession; this contact is often non distinct in diamond core but is pronounced in downhole geochemical plots of Al_2O_3 and MgO.

The massive and matrix sulphide mineralisation predominantly comprises pyrrhotite, pentlandite, chalcopyrite and platinum-palladium group metals with thickness varying from 1m to 9.65m over a strike length of approximately 300m.

The country rock hanging wall and footwall succession comprise massive and pillowed tholeiitic basalts and associated gabbros and dolerites. The ultramafic sequence is cut by a felsic porphyry that transgresses the ultramafic unit from south west to north west. The porphyry transgresses the ultramafic at a very low angle and where contacts are not structurally modified, they are very sharp and show no evidence of interaction with the ultramafic package. The apparently limited interaction between these units and the continuity of ultramafic stratigraphy on either side of the felsic intrusion implies that the intrusion has created space by inflating the ultramafic sequence rather than stoping it out (Information Memorandum 2019 Rox Resources).

In the south of the project highly anomalous VMS style Zn-Pb-Cu-As sulphide veins and exhalative barren massive sulphides were intersected in drilling (Collurabbie Annual Report Falcon Minerals 2010) (referenced throughout this Report without consent).

5.2.Previous Exploration

Prior to 2004, work conducted by BHP, MIM and North Ltd concentrated on gold exploration. Gold exploration was primarily focused on the northern half of the project area with BHP drilling 49 RAB holes totalling 1,311 metres in 1989, and MIM drilling 46 RAB holes totalling 2,108 metres in 1995.

Between 1996 and 1999, North Ltd completed various work programs as part of their gold exploration strategy. These included detailed aeromagnetic surveys, soil and auger sample assaying, dipole-dipole induced polarisation geophysical surveys and RC drilling. Statistics include 166 soil samples, and drill hole assays for 529 RC holes, 6 diamond holes, 10 aircore holes and 25 auger holes. Drilled intercepts are discussed further in the Gold Exploration Section below.

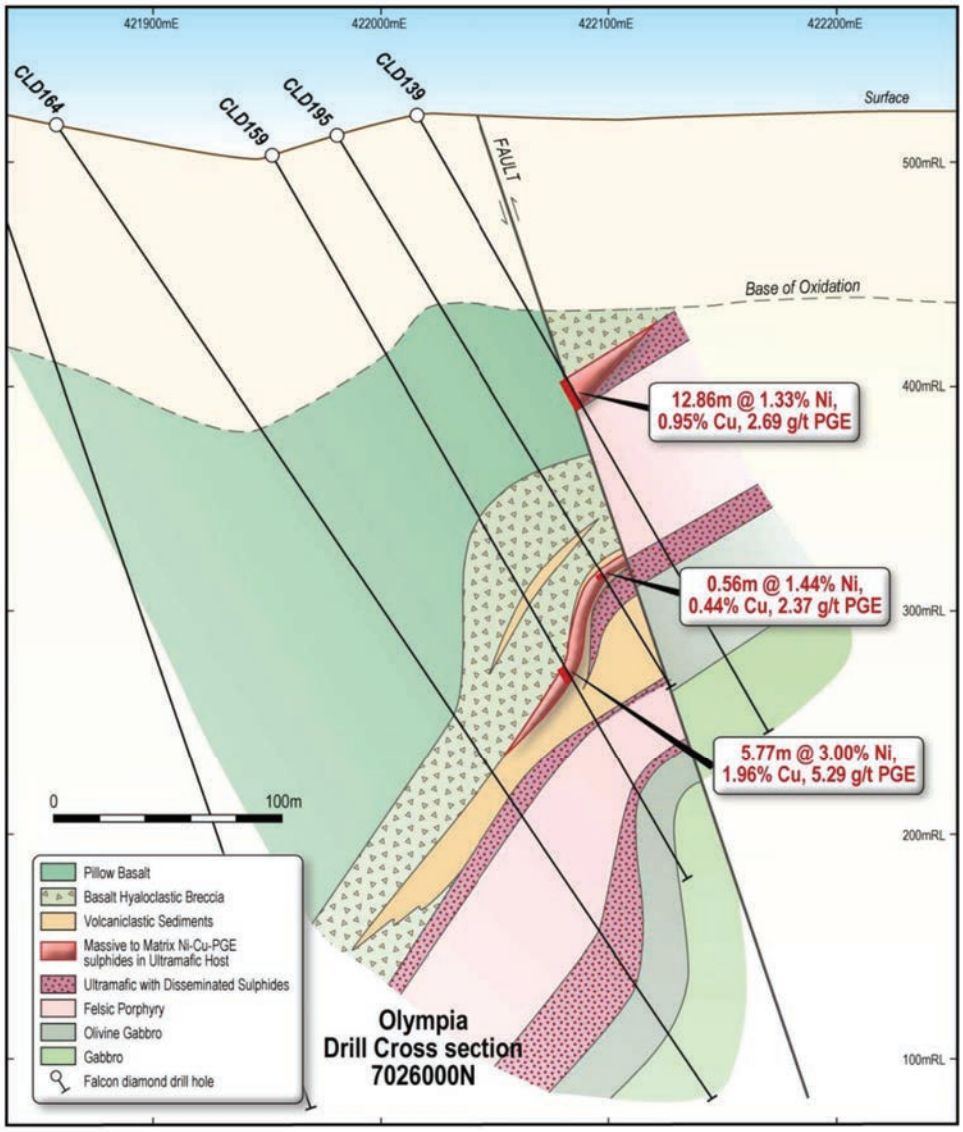
In 2001 WMC (WMC/YDR ASX 21 June 2001 (previously named Yardarino Ltd)) commenced exploration as part of an earn in with BHPB and continued the partnership with Falcon Minerals (renamed from Yardarino) after their takeover of WMC in 2005. Work by WMC and BHPB on the Collurabbie project included regional and detailed geological mapping, aerial photography and remote sensing ASTER, Landsat and TM, geochemical surveys – lags, soils, rock chips, geophysical surveys – fixed loop electromagnetics (FLEM), moving loop ground electromagnetics (MLEM), regional gravity and aeromagnetic surveys, down-hole electromagnetics, airborne gravity surveys and a helicopter-borne magnetic and radiometric survey.

A total of 230 reconnaissance AC holes, 83 RC holes and 108 diamond holes were drilled. On 15 July 2003 WMC/Falcon announced (ASX release of 15 July 2003) the discovery of nickel, copper and PGE sulphide

mineralisation associated with ultramafic horizons at a number of locations along the length of the belt. AC drilling in 2004 and 2005 led to the discovery of further strongly anomalous nickel, copper, and PGE mineralisation within the regolith profile. Deeper RC and diamond drilling beneath the anomalies in 2005 confirmed the presence of massive nickel copper and PGE sulphides at the Olympia prospect (see Table 5, summarising the significant intersection of the discovery diamond drilling program) with a discovery intercept of 5.77m at 3% Ni, 1.96% Cu and 5.29 g/t PGE from 279.43m in CLD159. No further drilling was conducted after 2006 by BHPB (Collurabbie Annual Technical Report Falcon 2010) (referenced throughout this Report without consent). Figure 19 shows a cross section through the main part of the deposit showing the CLD159 intersection and interpreted geology while Figure 20 shows a long section of the Olympia mineralisation and significant drill intersections from Falcon ASX release 25 July 2011. A plan of the drilling in the Olympia prospect is shown in the Resource Section below (Figure 25).

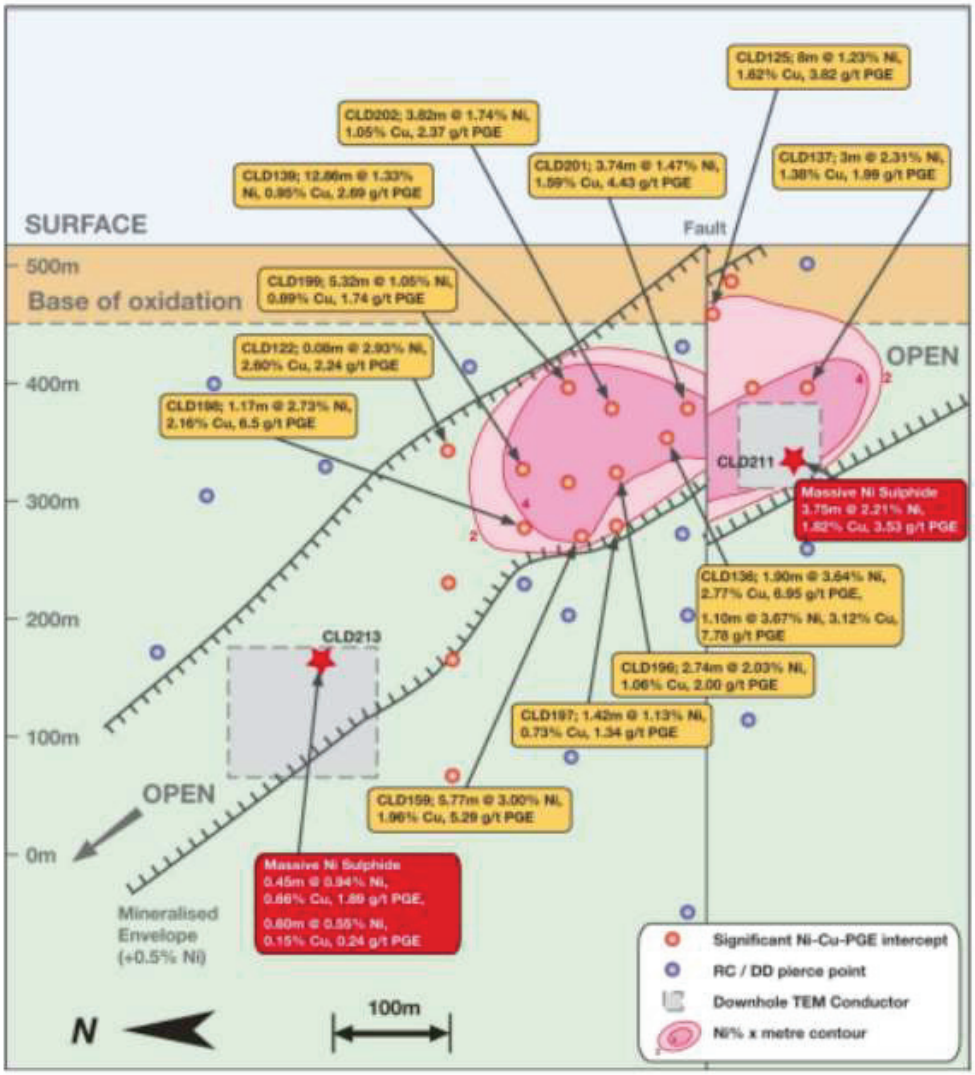
Table 5 - Significant intersections drilled by BHPB at Olympia.

Hole ID	MGA94_z51_East	MGA94_z51_North	From (m)	To (m)	Width (m)	Ni %	Cu %	Total PGE (g/t)
CLD122	421952	7026102	200.18	200.26	0.08	2.93	2.60	2.24
CLD125	422141	7025902	64.00	72.00	8.00	1.23	1.62	3.82
CLD127	421914	7026500	82.00	86.00	4.00	1.00	0.55	0.97
CLD136	421999	7025899	176.00	177.90	1.90	3.64	2.77	6.95
	and		184.90	186.00	1.10	3.67	3.12	7.78
CLD137	422120	7025799	136.00	138.00	2.00	2.85	1.77	2.52
CLD139	422019	7026000	131.64	144.50	12.86	1.33	0.95	2.69
CLD159	421946	7026000	279.43	285.20	5.77	3.00	1.96	5.29



(Source Rox Resources 18 August 2017 ASX release)

Figure 19 - Cross Section 7026000N through Olympia



(Source FCN Quarterly Report 25 July 2011)

Figure 20 - Long Section of the Olympia Mineralisation

Outside of Olympia a number of prospects were developed using a combination of airborne and ground based EM and first pass aircore drill testing to define prospective geology and geochemistry. Figure 21 shows the location of these prospects and some of the more significant drill intercepts.

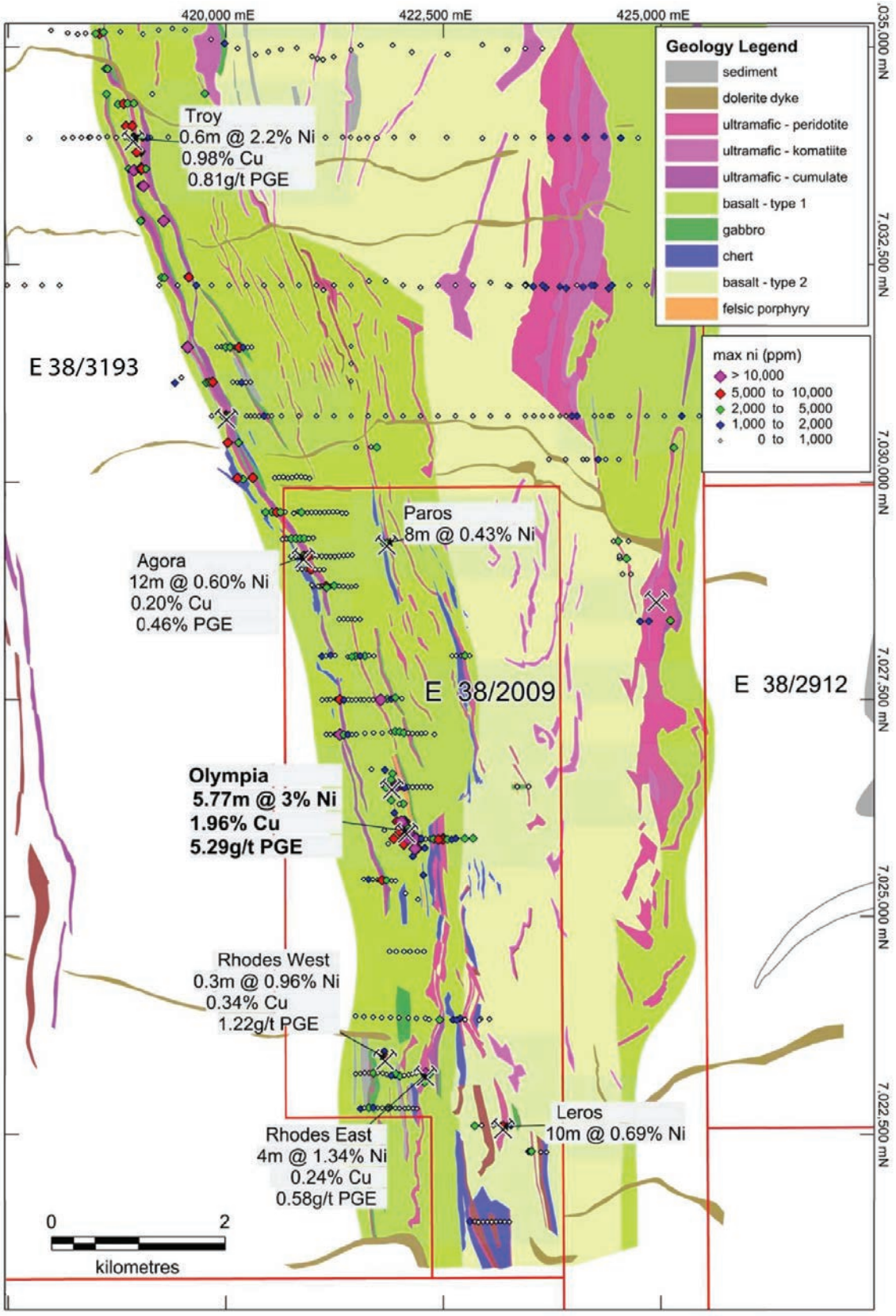


Figure 21 - Location of significant Ni intercepts including the discovery intercept at Olympia.

On 20 October 2016, Rox acquired the Collurabbie Project from Falcon Minerals in a mostly share based transaction of $25,000 cash and 7,500,000 shares (Rox ASX 20 October 2016). The tenements acquired by Rox and included in the Cannon IPO are detailed in Figure 4 above.

Rox conducted aircore drilling of selected targets and discovered a new zone of mineralisation at the Olympia North prospect, located less than 1km north of the Olympia deposit and completed follow up RC drilling (Figure 22). Downhole EM surveys were completed for CXDD002 and CXDD003 with a strong off-hole response in CXDD003. Modelling indicated a highly conductive small thin plate located below and west of the hole. The off hole conductor from CXDD003 has not been tested.

Significant RC and Diamond drill intersections are appended to this Report.

Anomalous geochemistry was also obtained from drilling at the Ortus prospect, located west south west of Olympia, along the western ultramafic and magnetic high unit previously called the Beta Sill, Troy, and Zeus South (Figure 22 and Figure 23).

Table 6 details some of the significant Rox Resources drill results for the Collurabbie project.

Table 6 - Collurabbie Significant Drilling Results Rox Resources

Prospect	Hole	Hole Type	From	To	Interval	Ni %	Cu %	Co %	Pt ppm	Pd ppm	ASX Release Date
Olympia North	CXAC086	Aircore	8	28	20	0.70	0.40	-	0.305	0.464	10/10/17
	CXAC156	Aircore	4	8	4	0.24	0.0056	0.0209	-	-	26 /7/2018
	CXRC001	RC	64	96	32	0.48	0.28	0.03	0.218	0.347	21/11/17
	CXRC003	RC	76	81	5	0.63	0.3	0.03	0.239	0.422	21/11/17
	CXRC013	RC	57	62	5	0.83	0.55	0.04	0.98		25/9/2018
	CXDD002	Diamond	167.29	167.45	0.16	0.48	0.25	0.02	0.529		18/10/18
	CXDD003	Diamond	202.87	203.07	0.2	0.91	0.81	0.03	0.621		18/10/18
Ortus	CXAC008	Aircore	16	40	24	0.56	0.12	-	0.178	0.212	10/10/17
	inc		20	32	12	0.74	0.19	-	0.309	0.315	10/10/17
	CXAC046*	Aircore	16	40	24	0.56	0.04	-	0.078	0.084	10/10/17
Ortus Nth / Beta Sill	CXAC011**	Aircore	4	31	27	0.45	0.090	-	0.012	0.012	10/10/17 -
	CXAC041**	Aircore	4	24	20	0.39	0.204	-	-	-	10/10/17
Troy	CXAC123	Aircore	28	40	12	0.80	0.0259	0.0567	-	-	26/7/2018
	CXAC124	Aircore	28	52	24	0.47	0.0113	0.0230	-	-	26/7/2018
Zeus South	CXAC186	Aircore	16	36	20	0.33	0.0049	0.0188	-	-	26/7/2018
	CXAC187	Aircore	8	36	28	0.48	0.0035	0.0290	-	-	26/7/2018

Note Where the Pt and Pd assays are combined the ASX releases only detail combined Pt+Pd assay results, where assays are not reported a "-" has been inserted, < = less than detection. * Did not reach target depth.** Laterite enrichment – significance undetermined.

The Olympia mineralisation is open at depth, down plunge and there is limited drilling along strike. The deeper drilling has however only intersected narrow (<1m wide) low grade (<1%) nickel and copper mineralisation, for example CLD213 0.45m at 0.94%Ni, 0.66%Cu, 1.89g/t PGE from 319.95m and 0.6m at 0.55%Ni, 0.15%Cu and 0.24g/t PGE from 383.05m (Falcon ASX release 25 July 2011). Therefore, in VRM's

opinion, there appears limited potential to extend further the existing high grade mineralisation. There is however significant potential along strike within the Gamma Sill which hosts the mineralisation at Olympia.

In VRM's opinion, many of the regional nickel anomalies remain open along strike and down dip, along with bulk tonnage low grade disseminated potential within the Beta Sill 500m to the west of Olympia which is a long magnetic feature in the regional magnetic images (Figure 22 and Figure 23).

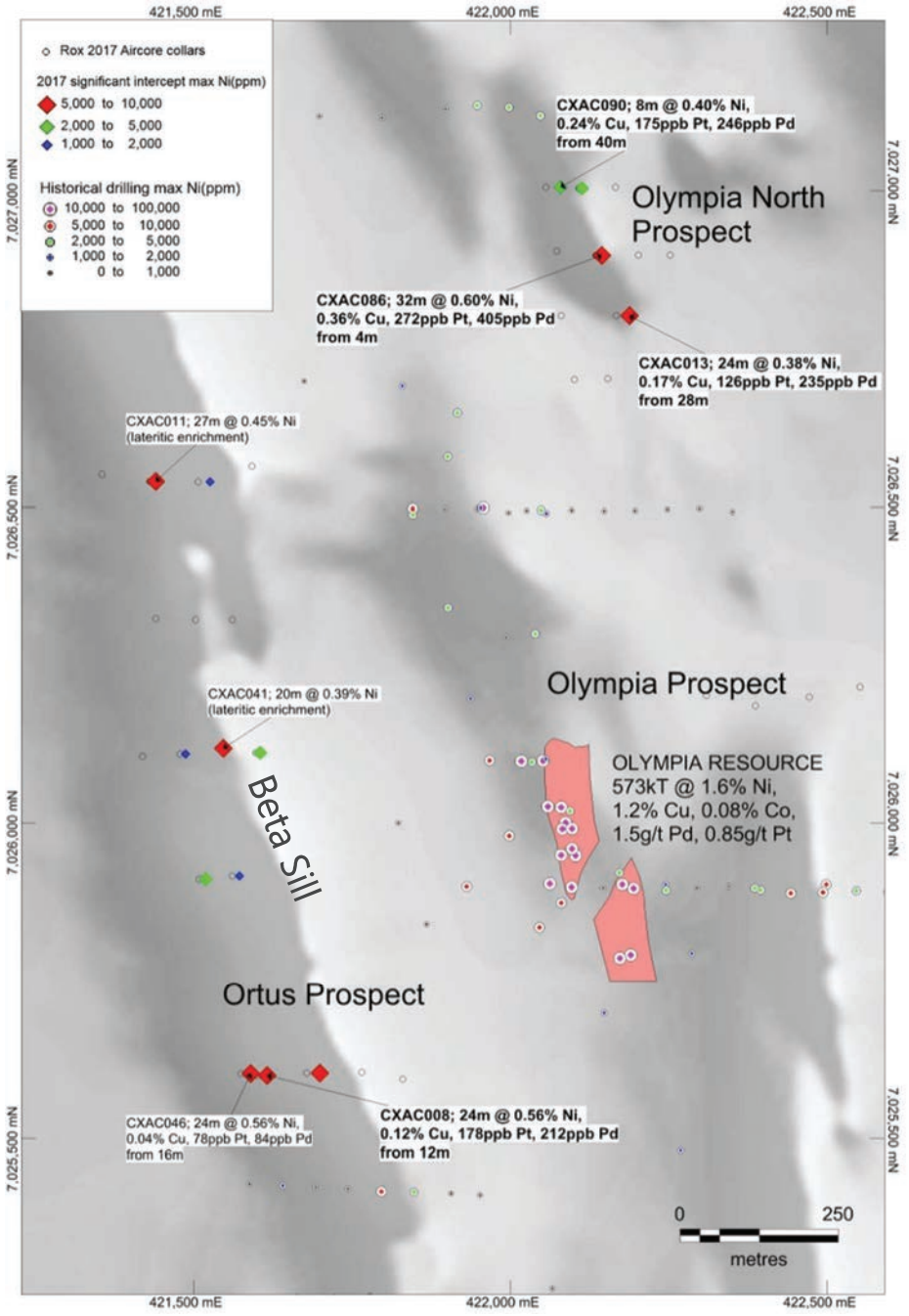


Figure 22 - Rox drilling Ni anomalies in near vicinity of Olympia resource.

Gold Exploration

The review of historical drill data from MIM, BHP, North Ltd and WMC has identified a number of gold prospects with many of the anomalous drill results occurring in covered terranes where little or no surface geochemistry exists. The anomalies were identified in the mid 1990's by wide-spaced aircore and RC drilling. The gold intercepts occur beneath shallow to thick Proterozoic cover (20-120m). Anomalous intercepts are listed below:

- CHRC04 2m at 1.7 g/t Au from 28m saprock after basalt.
- KRC364 2m at 2.5 g/t Au from 70m altered basalt.
- KRC424 6m at 0.7 g/t Au from 142m altered veined and sulphidic ultramafic rock.
- KRC463 2m at 5.2 g/t Au from 30m saprock after ultramafic rock and quartz veins.
- KRC485 2m at 1.0 g/t Au from 156m sheared ultramafic.

BHPB's internal review of gold potential in 2005 concluded that significant gold mineralisation in most cases occurs adjacent to and/or in close proximity to north and northwest trending major structural zones, structural intersections, and along lithological contacts. In addition, gold mineralisation is hosted predominantly within greenstone stratigraphy and is strongly associated with chlorite / sericite / quartz / carbonate alteration and commonly occurs within quartz/carbonate veining.

The mineralisation appears coincident with pyrite and pyrrhotite, and commonly is associated with elevated arsenic (Merriner 2005 BHPB Internal Report) (referenced throughout this Report without consent). BHPB also observed the separate gold event at the Olympia deposit, suggesting that the nickel sulphides may have acted as a chemical trap for the gold.

Gold intercepts obtained by BHPB included:

- CLD12 0.4m at 2.55g/t Au from 280.9m dolerite, arsenopyrite logged.
- CLD159 2m at 0.56 g/t Au from 280m massive sulphide within ultramafic (Olympia).
- CLD136 2m at 0.57 g/t Au from 184.00m mafic breccia host at massive sulphide contact (Olympia).
- CLAC153 2m at 0.55 g/t Au from 36m clay saprolite, elevated Arsenic.

In 2017 Rox conducted gold exploration drilling at the Naxos prospect (Figure 23) returning anomalous results (Rox ASX release 10/10/2017) such as:

- CXAC020 4m at 0.15g/t Au from 44m.
- CXA0C31 4m at 0.25g/t Au from 44m.
- CXAC033 4m at 0.58g/t Au from 52m.
- CXAC037 4m at 0.21g/t Au from 32m, and 4m at 0.22g/t Au from 40m.
- CXAC038 4m at 0.22g/t Au from 80m.

Figure 23 shows the location of the anomalous gold intercepts and named prospects.

It is VRM's opinion that potential for economic gold mineralisation at Collurabbie has not been fully evaluated and additional work is recommended.

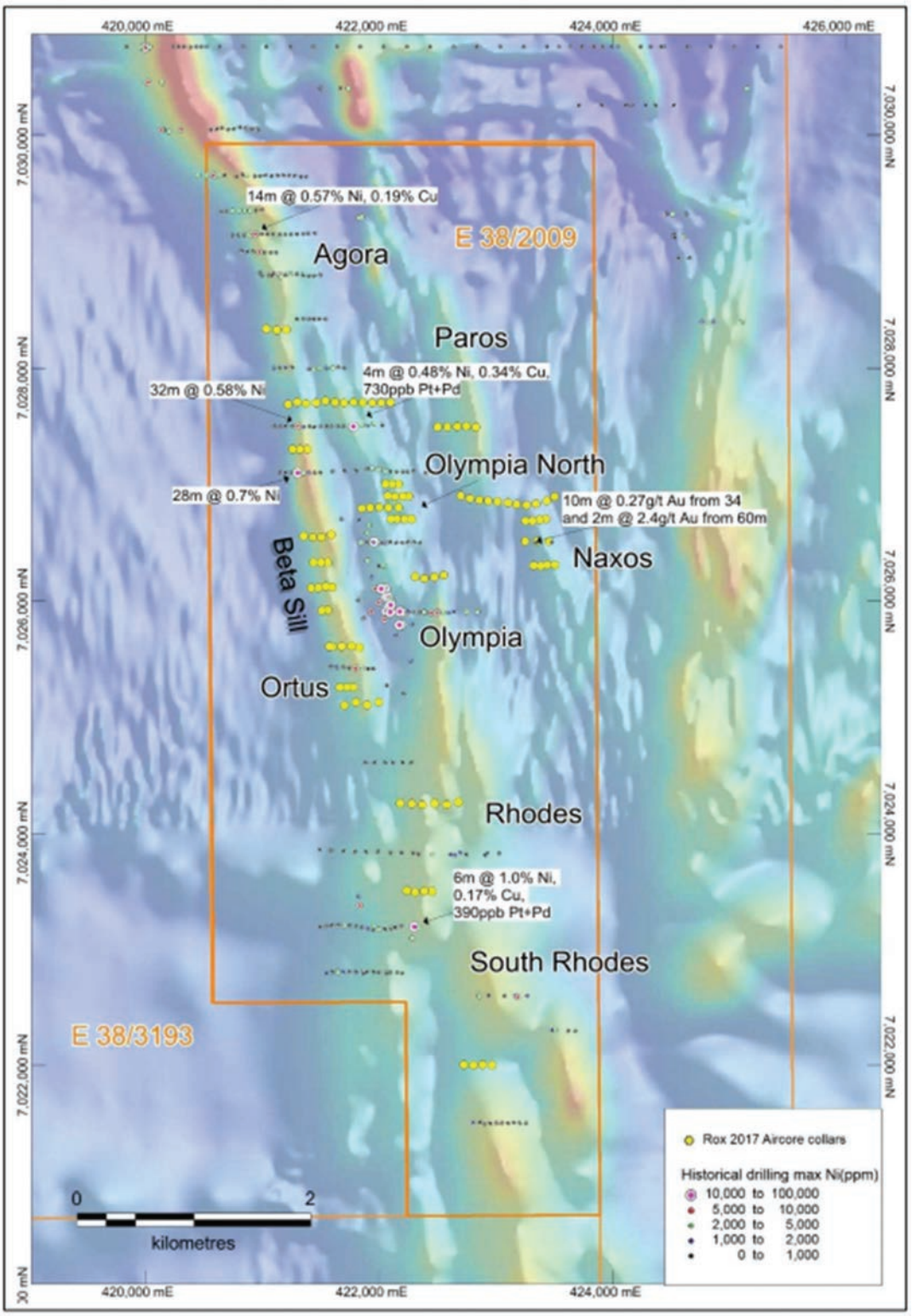


Figure 23 - Location of gold prospects and significant anomalies

5.3.Mineral Resource Estimates

In 2017 a JORC 2012 Inferred Mineral Resource was estimated at Olympia by Trepanier Pty Ltd, for Rox Resources Ltd at a cut-off grade of 1% Nickel (Trepanier (2017) and Rox ASX release of 18 August 2017)). This Mineral Resource estimate is detailed in Table 7 below and should be viewed as approximate given that, as an inferred category Mineral Resource estimate, it is in the lowest level of confidence of the three categories of Mineral Resource. The Mineral Resource estimate is reported in accordance with JORC 2012 and has considered the reasonable basis of eventual economic extraction.

Table 7 - Olympia Mineral Resource Estimate

Deposit	Category	Tonnes (kt)	Grade Ni %	Grade Cu %	Grade Co %	Grade Pd g/t	Grade Pt g/t
Olympia	Inferred	573	1.63	1.19	0.082	1.49	0.85

From Rox Resources 2020 Annual Report (ASX release 30 September 2020 and original ASX release 18 August 2017)

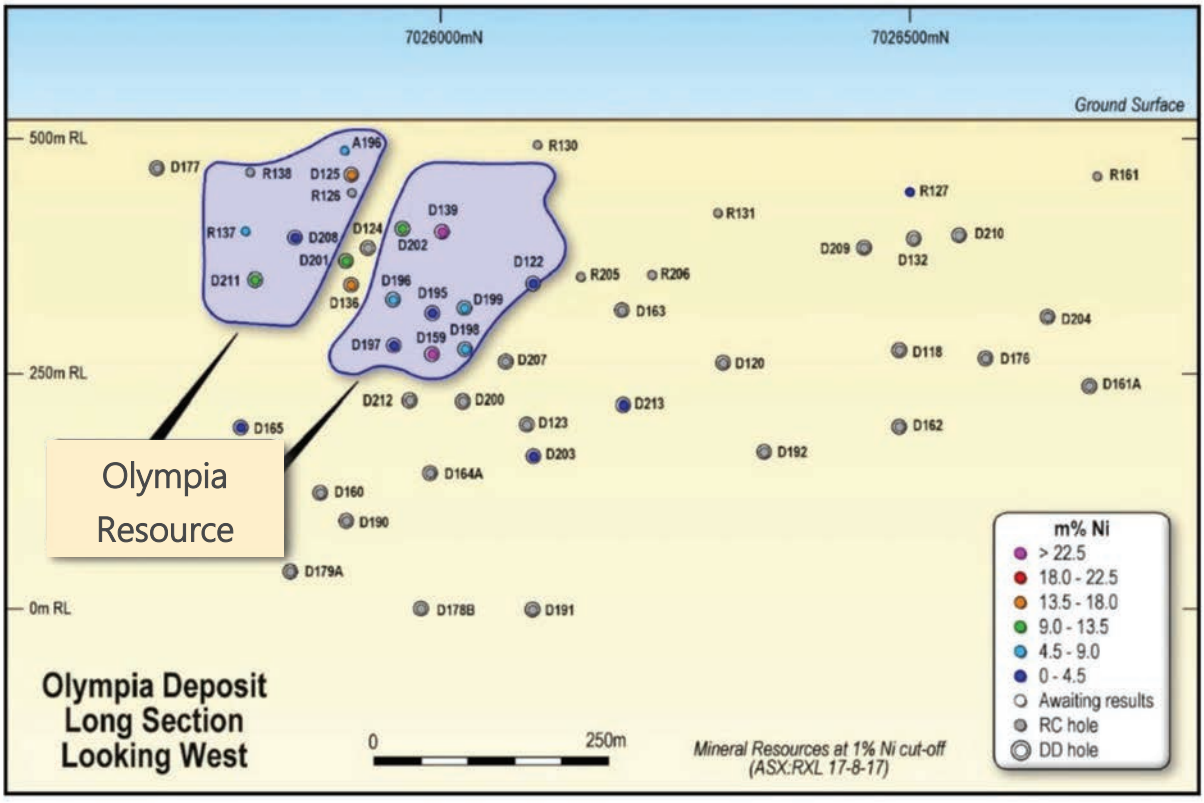


Figure 24 - Olympia Resource long section

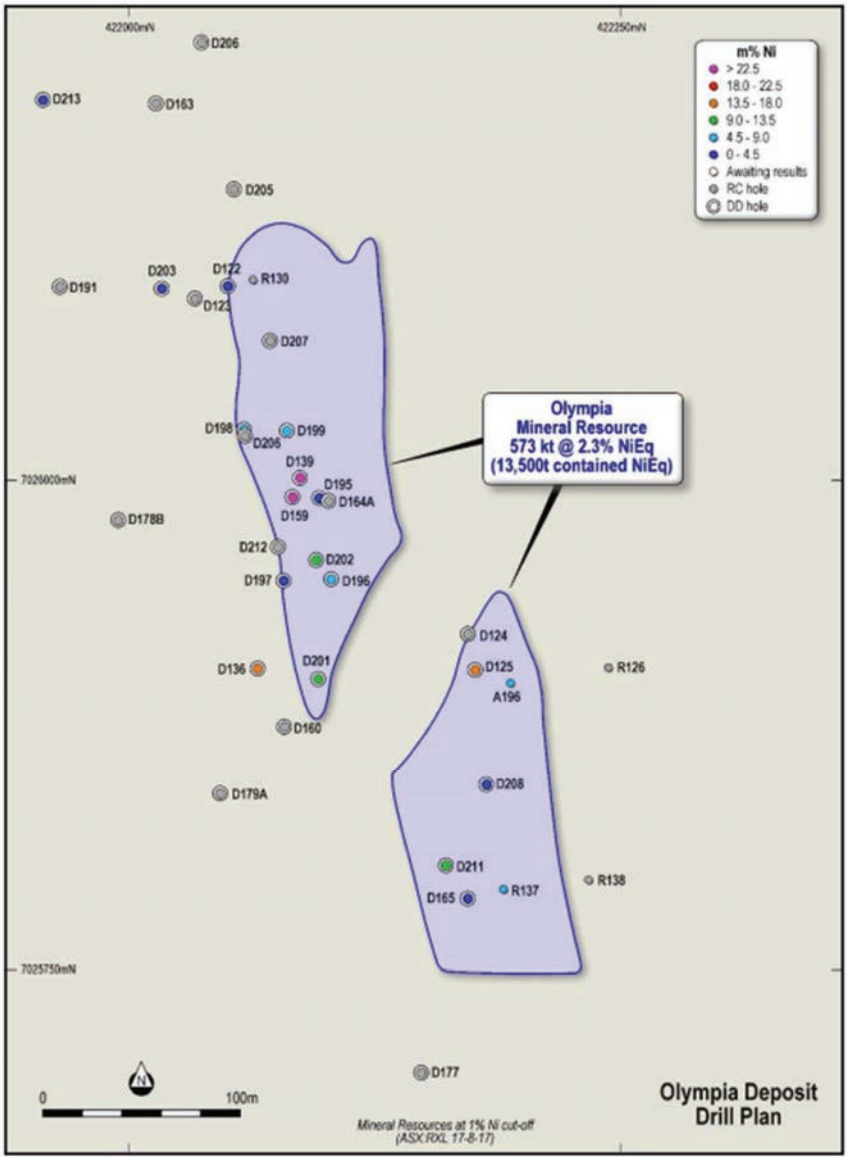


Figure 25 - Olympia Resource drill plan

The mineralisation has been separated into two distinctly different zones separated by a fault as per the interpretation shown in Figure 20.

Below is a summary of the Mineral Resource estimate information extracted from the Rox ASX release of 18 August 2017 including the grade tonnage curves (Figure 26) and the breakdown of the resource by depth (Figure 27). For more detail, please refer to Appendix: Table 1, Sections 1 to 3 included below.

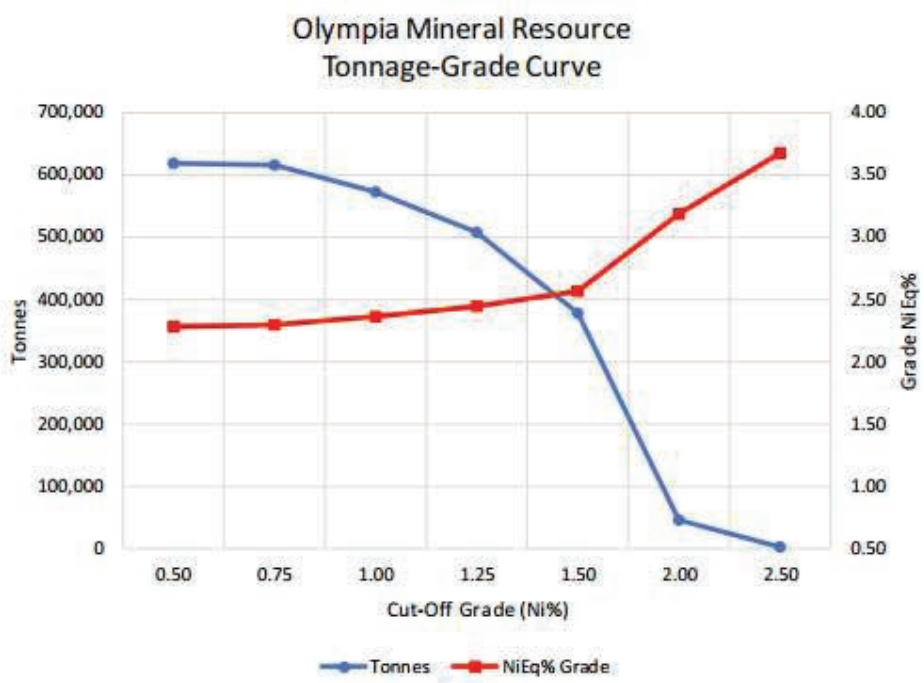


Figure 26 - Olympia Resource Grade Tonnage Curve

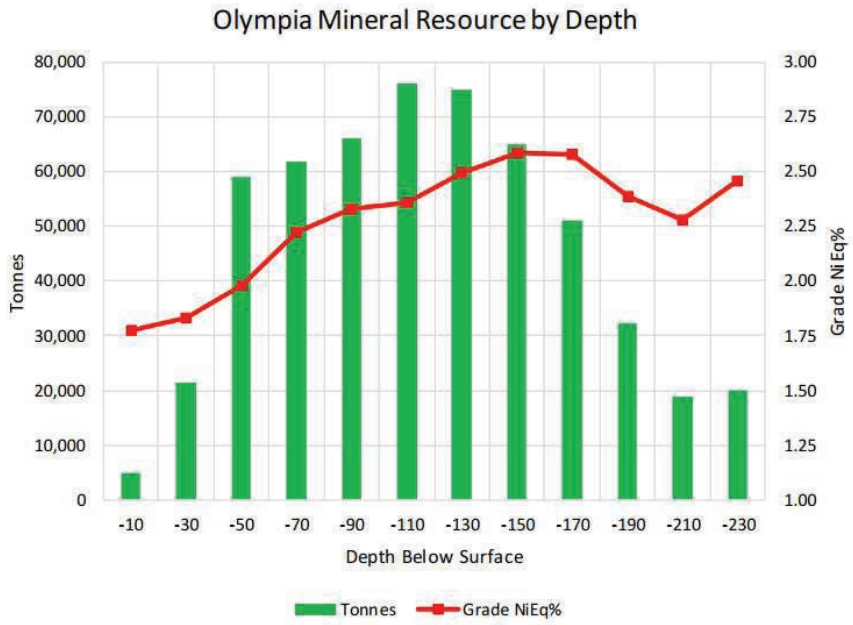


Figure 27 - Olympia Mineral Resource by Depth.

Geology and Geological Interpretation

The Olympia Deposit is located within the Collurabbie Project area, situated in an Archaean terrain metamorphosed to upper greenschist/lower amphibolite facies and comprises a N-NNW striking greenstone sequence flanked by large granitoid (dominantly monzogranite) batholiths. The greenstone sequence comprises felsic, mafic, ultramafic and sedimentary units. The Archaean sequence is exposed at surface but

becomes progressively buried by the onlapping Proterozoic sediments of the Earaheedy Basin to the north. Several Proterozoic diorite dykes transect the area with a broadly E-W orientation. Up to four phases of deformation, with principal strike directions NNW, NW and NE, have been previously identified. Nickel mineralisation is located within the ultramafic sequence of the greenstone belt, with the higher grades comprising matrix ± massive Ni-sulphide mineralisation within the basal peridotite. These units have been transgressed from SW to NW by a low-angle felsic porphyry; the limited interaction between the units suggest the intrusion has inflated the ultramafic sequence rather than stoping it out.

Drilling Techniques and Drill-hole Spacing

Several phases of historic drilling were completed in the region of the Collurabbie Project. In 1989, BHP completed 49 RAB holes (1,311m). In 1995, MIM completed 46 RAB holes (2,108m). Between 1996 and 1999, North Ltd completed several exploration programmes including auger drilling (25 drill-holes for 42.5m), aircore (AC) drilling (10 drill-holes for 202m), RC drilling (546 drill-holes for 49,858m) and diamond (DD) drilling (6 drill-holes for 587.5m). In 2004 to 2006, WMC/BHPB completed 230 AC drill-holes (15,728m), 79 RC drill-holes (9,812.3m) and 91 diamond drill-holes (31,213m). More recently, between 2010-2011 Falcon Minerals Ltd, formerly a JV-partner with WMC/BHPB on the project, solely completed 25 diamond (and mud/diamond) drill-holes for 7,525.25m.

The Mineral Resource outline interpretation was based on 13 AC drill-holes (746m), 11 RC drill holes (1,686m) and 35 diamond (and mud/diamond) drill-holes (13,279.25m). All assays used for grade interpolation, except one AC hole, were RC or DD (see Table 2: Significant Drill Intercepts). RC drilling was undertaken with 5" and 5 ½" face sampling bits (resulting in a minimum drill-hole diameter of 5"). Diamond drilling was predominately NQ2 core size, with mud-rotary or RC pre-collars and HQ upper hole portions.
The drill-hole spacing along section lines is variable however the central part of the Resource has been drilled to an approximate a 50m by 50m drill pattern. The deeper zones (up to 550-600m vertical) and southern and northern extents have been drilled to lesser depths at a spacing up to 300m.

Sampling and Sub-Sampling Techniques

Sample information used in the resource estimation was derived from both RC and diamond core drilling. RC drilling was sampled in one metre intervals. Diamond drilling was sampled to geological intervals, resulting in samples between a minimum of 0.1m up to a maximum of 4.2m, but predominantly 1-2m. QC procedures involve the use of Certified Reference Materials (CRM's) as assay standards, along with duplicates and barren waste samples. The insertion rate of these was approximately 1:20.

Sample Analysis Method

Drill core was cut in half on site using a core saw. All samples were collected from the same side of the core, preserving the orientation mark in the kept core half. RC samples were collected on the drill rig using a cone splitter.

Sample preparation followed industry best practice. This involved oven drying, coarse crushing of diamond core to ~10mm, followed by pulverisation of the entire sample to a grind size of 85% passing 75 microns.

The analytical techniques involved a four-acid digest followed by multi-element ICP/OES analysis, and a fire assay with a mass spectrometer finish for Au-Pt-Pd.

Cut-off Grades

Continuity of the nickel mineralisation was visually analysed at different grade cut-offs. A broader interpretation using an approximate 0.2% (sulphidic) Ni cut-off focused on zone continuity and includes significant sub-grade material. A more selective sub-set zone of this focussed on potentially economic higher grade material (at a cut-off of approximately 0.5% Ni) whilst still maintaining geological continuity. It was therefore decided that a 0.5% Ni lower cut-off grade would be applied to the primary interpretation for use in an Ordinary Kriging (OK) model.

Estimation Methodology

Grade estimation by Ordinary Kriging (OK) and Inverse Distance Squared (ID2– for comparison) was completed for nickel (%Ni) using a combination of Geovia Surpac™ and Leapfrog™ software. Sample data were composited to 1m using a best fit method with a minimum of 100% required. The block model was constructed with parent blocks of 4m (E) by 10m (N) by 10m (RL) and sub blocked to 0.5m (E) by 1.25m (N) by 1.25m (RL). OK was used to estimate the block grades within the mineralised envelope to represent a selective mining unit of 0.5m (E) by 1.25m (N) by 1.25m (RL). Inverse squared distance (ID2) was also used to estimate the nickel mineralisation as a validation check of the OK model. Estimation parameters were based on the variogram models, data geometry and kriging estimation statistics. Top-cuts were not required, decided after completing an outlier analysis using a combination of methods including grade histograms, log probability plots and other statistical tools. Search ellipse sizes were based primarily on a combination of the variography and the trends of the wireframed mineralised zones.

Classification Criteria

The Mineral Resource has been classified on the basis of confidence in the geological model, continuity of mineralised zones, drilling density, confidence in the underlying database and the available bulk density information. The Olympia Mineral Resource has been assigned entirely to the Inferred Resources category according to JORC (2012).

Mining and Metallurgical Methods and Parameters

Based on the orientations, thickness and depths to which the nickel mineralisation has been modelled, as well as the estimated nickel grades, the potential mining method is considered to be underground mining. There has not been any systematic metallurgical test work carried out for this deposit; it has been assumed that nickel recoveries would be similar to those in other ultramafic hosted nickel deposits in Western Australia.

5.4. Metallurgical Test Work

Rox engaged an external metallurgical consultant to undertake a metallurgical test work program for material derived from the Olympia deposit in support of the ongoing development and assessment of the Collurabbie Project. The results of this test work are detailed below.

The work involved a metallurgical test work aimed at producing both bulk and separate copper/nickel flotation concentrates from a sample of core provided by Rox. The primary objective of this work was to determine the feed characteristics, determine the flotation response and base metal recoveries and produce both bulk and separate copper and nickel flotation concentrates by sequential flotation.

The composite head grades are provided in the table below. Each indicates a higher than average Cu : Ni ratio for typical Western Australian nickel deposits. Despite being high in MgO, the composites had negligible arsenic.

Table 8 - Olympia composite head grades.

Metallurgical Composite	Cu (%)	Ni (%)	NSN (%)	Co (%)	Mg (%)	As (%)
Massive	1.90	2.11	0.33	0.11	2.92	<50
Disseminated	0.73	0.90	0.13	0.05	10.8	<50
Net	0.53	0.78	0.04	0.04	8.53	<50

NSN – non sulphide nickel

The net textured and disseminated composites are dominated by talc/ carbonate gangue mineralogy, whilst the nickel and copper are hosted in violarite and chalcopyrite, respectively. Conversely, the massive gangue component is dominated by pyrite and siderite with minor talc. The massive composite required a high lime dose, which indicates a degree of reactivity and the sample may have partially oxidised. All samples exhibited a significant degree of non-sulphide nickel ranging from 5-15%.

Copper recoveries were moderately high with 88%, 90% and 93% achieved for disseminated, massive and net textured composites, respectively. Conversely nickel recoveries were poor, with 76%, 71% and 77% achieved respectively and is due to a number of issues, namely: non-sulphide nickel, low initial head grade and potential mineral locking in silicate host at 75µm.

Separate copper concentrates were demonstrable in all composites with saleable concentrates achieved from disseminated samples (>24% Cu). Nickel concentrates produced were low grade due to both MgO and iron sulphide mineral dilution.

No work on PGE metallurgy has been conducted and no work on the Beta Sill disseminated mineralisation has been conducted.

6. Exploration Strategy

The Company's exploration strategy and objectives are summarised below.

Strategy:

- Advance projects using best practise exploration techniques.
- Identify opportunities for strategic partnerships with mid-tier / major mining companies.
- Have clear project decision points.
- Realise value of projects by development, joint venture farm-out and/or partial/full sale.
- Maintain a safe working environment for its employees and contractors and apply high environmental standards during all exploration and mining activities.

Project Objectives:

- Determine the potential for a near-term development opportunity at the Fisher East Project with an immediate focus on assessing the possible extensions of the Camelwood, Cannonball and Musket resources.
- Determine the potential for economic mineralisation at Sabre and other advanced prospects within the Fisher East Project.
- Develop additional nickel prospects via systematic exploration along the basal contact of the Mt Fisher Greenstone Belt.
- Advance exploration for conceptual VMS style mineralisation at Fisher East Project.
- Systematically explore existing and develop new prospects at the Collurabbie Project.
- Evaluation of the gold potential within the Collurabbie project.

7. Risks and Opportunities

The data included in this report and the basis of the interpretations herein have been derived from a compilation of data included in annual technical reports sourced from the Western Australian Mineral Exploration reports (**WAMEX Reports**) compiled by way of historical tenement database searches. There are two potential sources of uncertainty associated with this type of compilation, the first is that significant material information may not have been identified in the data compilation while the second potential risk is associated with the timely release of the exploration reports. Under the current regulations associated with annual technical reporting any report linked to a current tenement that is less than five years old remains confidential and the company can also make submissions to ensure the reports remain confidential for longer periods. Finally, the historic reports are not all digitally available, therefore, to obtain the historical reports often requires time consuming and costly searches in the DMIRS library. There is also duplication and compilation errors associated with several of the publicly available data compilations; this is commonly associated with multiple reporting of the exploration activities by different tenement managers using different grid references for the exploration activities. As such, this data may not be available and may have material errors that could have a material impact on potential exploration decisions.

Often the historical exploration reports do not include or discuss the use of quality assurance and quality control (**QAQC**) procedures as part of the sampling programs. For both the Collurabbie and Fisher East Projects there are very few historical drill holes or geochemical samples compared to the extensive work

conducted by Rox Resources. Therefore, it is difficult to determine the validity of several of the regional early stage samples, especially associated with the gold exploration within the Collurabbie Project. There has been extensive validation of the QAQC for the drilling by Rox Resources and previous owners of the Collurabbie Project especially for the drilling within the current Mineral Resources. The inability to properly validate all the exploration activities on the tenements increases the exploration risk however due to the extensive work done on the projects since 2003, where there has been better QAQC reporting and the sparse pre 2003 exploration this risk is considered by VRM to be minimal. Additionally, much of the exploration on the projects since 1995 has been undertaken by BHP / North / WMC at Collurabbie or Rox Resources within the Fisher East project.

There are environmental, safety and regulatory risks associated with exploration within an area where there has been historical exploration including the potential rehabilitation liabilities.

While there are JORC 2012 compliant Mineral Resources Estimates within the Nickel Assets, mineral exploration by its very nature has significant risks, especially for early stage projects. Based on the industry wide exploration success rates it is possible that no additional significant mineralisation will be located within the projects. Even in the event significant mineralisation does exist within the projects, factors both in and out of the control of Cannon may prevent the definition or development of such mineralisation.

This may include, but is not limited to, factors such as community consultation and agreements, metallurgical, mining and environmental considerations, availability and suitability of processing facilities or capital to build appropriate facilities, regulatory guidelines and restrictions, ability to develop infrastructure appropriately, and mine closure processes. In addition, variations in commodity prices, saleability of commodities and other factors outside the control of the Company may have either negative or positive impacts on the projects that may be defined.

While there are currently no registered heritage sites that are likely to impact the exploration activities it is possible that additional surveys may identify heritage sites. However, VRM does note that there have previously been heritage surveys undertaken in the area with no sites registered and that exploration has been undertaken within the projects in the past.

Finally, at the time of writing this Report the impact of COVID-19 is being felt globally with a second wave of infections causing renewed lock-down in many parts of the world, including hotspots in Australia. While to date the mining industry and resources sector has adapted quickly and largely continued business activities throughout this time, the potential risks for future exploration in the near future remains unclear. Changes to commodity prices and access to capital to fund exploration can be considered as both risks and opportunities. For example, in 2020, the Western Australia Government released a WA Recovery Plan document that highlighted 'unlocking future mining opportunities' as a priority area with government initiatives announced to build on geoscience knowledge as well as amendments to mining regulations to fast-track exploration opportunities.

Within both the Fisher East Nickel and the Collurabbie Projects there are also several opportunities that have been recently identified. These include the stratigraphic similarities of the Fisher East Project region to the geology in the area surrounding the currently producing VMS mine at Teutonic Bore in the Norseman – Wiluna greenstone belt. There has been minor work undertaken by Rox to validate this interpretation. The exploration understanding of the VMS deposit formation and exploration is well understood and if the stratigraphic interpretation is correct and a VMS base metal system is identified then this would be a significant opportunity within the project. An additional exploration opportunity, especially in the Collurabbie project is the low level of previous gold exploration.

8 Proposed Exploration

To achieve the exploration strategy, it is expected that Cannon will undertake distinctly different exploration activities within each of the projects as summarised below.

8.1 Fisher East Project

Within the Fisher East Project Cannon has proposed the following:

- Validation of the existing exploration data including drilling, geology, and geochemical samples.
- Field mapping and digital capture of all historical exploration.
- Geophysical surveys.
- Drilling to test along strike, up dip and at depth of the nickel mineralisation identified in the existing deposits.
- Drilling to test along strike, up dip and at depth of the known mineralisation identified in previous drilling (including intersections of 16.9m at 2% Ni in MFED049 at Musket, 5.3m at 2.7% Ni in MFED056 at Cannonball, 13m at 1.3% Ni in MFEC125 at Sabre and 3.4m at 2.7% Ni in MFED025 at Camelwood).
- Fisher East Project resource update which is targeting a resource estimate for the Sabre deposit.
- Aircore and RC drill testing of conceptual VMS targets.
- Aircore and RC drilling of other targets including Cutlass, Mt Tate, Tomahawk and Horatio prospects; and
- Review the potential for gold mineralisation in the project tenements excluding E53/1218 where Rox Resources will retain the gold rights pursuant to a split commodity agreement between Rox Resources and Cannon

8.2 Collurabbie Project

Within the Collurabbie Project Cannon has proposed the following:

- Validation of the existing exploration data including drilling, geology, and geochemical samples.
- Field mapping and digital capture of all historical exploration.
- Detailed airborne geophysical surveys.
- Drilling to test along strike, up dip and at depth of the known mineralisation identified in historical drilling (including the historical intersections of 5.77m at 3% Ni, 1.96% Cu, 5.29g/t PGE in CLD159 and 12.86m at 1.33% Ni, 0.95% Cu, 2.69g/t PGE in CLD139); and
- Drilling of the Olympia, Olympia North and Ortus prospects.

9. Proposed Exploration Budget

The exploration strategy and targets are discussed in more detail within the project sections above with Table 9 providing a summary of expenditure by activity and project. At Fisher East the majority of the expenditure is proposed to be drilling targeting existing Aircore anomalies with RC and diamond drilling along with deeper diamond drilling of the existing mineralisation at Camelwood, Cannonball and Musket to ascertain whether resource extensions can be estimated, along with drilling at Sabre with the aim of delineation of a Mineral Resource. The majority of the drilling is proposed to be diamond drilling and given the depth of some of the mineralisation at Camelwood, Cannonball and Musket the depth and drilling costs appear reasonable. The drilling proposed for Collurabbie would be targeting existing Aircore targets and extensions to the known mineralisation along with diamond drilling depending on the exploration success of the initial RC drilling. All the costs are shown as an all-in inclusive cost, which includes the cost of drilling, sampling, assaying, personnel and all other on costs. Also included in the drilling budget is downhole geophysics (EM) which would be undertaken on most of the RC and Diamond holes depending on the geological units that are intersected. The geophysical budget is mainly for re-processing of existing datasets and analysis of the downhole EM surveys. All costs are included in Australian dollars (A$).

Table 9 - Summary of Exploration Expenditure.

Project	$6 M Subscription		
	Year 1 ($ million)	Year 2 ($ million)	Total ($ million)
Fisher East Nickel			
Data Compilation	0.01		0.01
Geochemistry	0.025		0.025
Geophysics	0.025		0.025
Drilling & Analysis			
Aircore Drilling	0.2	0.3	0.5
RC drilling	0.2	0.25	0.45
Diamond drilling	0.8	1.1	1.9
Total Fisher East Nickel	1.26	1.65	2.91
Collurabbie			
Data Compilation	0.01		0.01
Geophysics	0.02		0.02
Drilling & Analysis			
Aircore Drilling	0.1	0.15	0.25
RC drilling	0.1	0.15	0.25
Diamond drilling	0.3	0.35	0.65
Total Collurabbie	0.53	0.65	1.18
TOTAL BUDGET	**1.79**	**2.30**	**4.09**

Note:

* Activities are subject to relevant approvals being received

** Drilling in year two is dependent on positive results from year one activities

In VRM's opinion the proposed exploration budget and work programs are valid, consistent with the exploration potential within Cannon's projects and broadly in-line with the current exploration costs in

Western Australia. The exploration budget as presented includes exploration drilling at all tenements, however the exact number and depth of these drill holes is not sufficiently advanced to document in this Report. The proposed exploration budget is sufficient to meet the statutory minimum exploration expenditure on the tenements, which is currently $510,000 per year.

10. References

10.1. Published References (referenced throughout this Report without consent)

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115165	Belbin W.	2017	Mt Fisher Project Combined Technical Report for the period 1st November 2016 to 31st October 2017, C145/2005	Rox Resources Limited
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97348	GILES M	2013	Annual Report on Mt Fisher Project 53/1467 For the Period 8/01/2012 to 7/01/2013	JML Resources Pty Ltd
99059	BELBIN W; BENNETT G	2013	Mt Fisher Project, Prospecting Lease P53/1497, Annual Report for the period 9th July 2012 to 8th July 2013	Rox Resources Limited
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95830	BELBIN W; MULHOLLAND I	2012	MT FISHER PROJECT Combined Technical Report C145/2005 E53/1061, E53/1106, E53/1218, E53/1219, E53/1250, E53/1386 & M53/09 1 November 2011 to 31 October 2012	Rox Resources Limited
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92330	BELBIN W	2011	Mt Fisher Project, Exploration License E53/1465; Annual Report for the period 19th October 2010 to 18th November 2011	Rox Resources Limited
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10.3.Collurabbie Project Specific References (referenced throughout this Report without consent)

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104200	Smit R	2014	Collurabbie Project Annual Report for the period 1 February 2013 – 31 January 2014, E38/1986, E38/2009, M38/974, P38/3398, C53/2001	Rox Resources Limited
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69199	ROTHERHAM J	2004	Interim report on exploration for the period 02/02/2004 to 31/08/2004, Project C32/1999, Collurabbie E38/1436	Newmont Australia Ltd
68771	DALEY L	2004	Combined Annual Report on exploration for period ended 29/04/2004, Project C32/1999, Collurabbie, E38/241, E38/423, etc. Report No 31476	Newmont Australia Ltd
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59318	BUTTERWORTH M	1999	Report WA2000/19S, Annual Mineral Exploration Report for Period 5 August 19998 to 4 August 1999 by North Limited for Exploration Licence E38/1057 Collurabbie Hills, Due on 4 October 1999	North Ltd
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55485	BUTTERWORTH M	1998	Report No. Wa99/02S annual mineral exploration report for the period 15 May 1997 to 14 May 1998. E38/940, Havana	North Ltd
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52845	BUTTERWORTH M	1997	Report No. WA98/13s Annual Mineral Exploration Report on work carried out by North Limited for the period 12/10/1996 to 11/10/1997 on E38/576 Jamaica	North Ltd

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49834	SOWERBY R D	1997	Jamaica Project, Annual Report for the period 12/10/1995 to 11/10/1996, E38/576.	North Ltd
52115	NEWTON M E	1997	Annual report for the period ending April 6, 1997 on North Duketon E38/423.	MIM Exploration Pty Ltd
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47694	SOWERBY R D	1996	Report No. WA96/46S Annual Report on Exploration Carried out on E38/589 for the period February 1995 to February 1996	North Ltd
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47890	NEWTON M E	1996	Annual report for the period ending November 2, 1996 on E38/464 E38/465 E38/466 Kingston Joint Venture.	MIM Exploration Pty Ltd
48662	MARTIN N K	1996	Annual report for the period ending April 6, 1996 on North Duketon E38/423.	MIM Exploration Pty Ltd
44741	DIBBEN S M	1995	Gerry Well (JV) Project, Annual Report E38/408, 409, & 484 for period ending 28th January 1995.	MIM Exploration Pty Ltd
45131	MARTIN N K	1995	Annual Report for the period ending April 6, 1995 on North Duketon, E38/423.	MIM Exploration Pty Ltd
44379	JOHNSON K D	1995	North Laverton Project Exploration Licences 38/576,580-82 589,599-600,663,53/493-494,37/342 Annual Report Department of Minerals & Energy Project Number M5883 February 1995	BHP Minerals Pty Ltd
41124	DIBBEN S M	1994	Gerry Well (JV) Annual Report for the period ending 28th January 1994, E38/408-409 & 484.	MIM Exploration Pty Ltd
40544	DIBBEN S M	1994	Annual report for the period 09/92-09/93 Kingston (JV) Project E38/464 E38/465 E38/466	MIM Exploration Pty Ltd
43177	DIBBEN S M	1994	Annual Report for the period ending 1st September 1994, E38/464-466, Kingston (JV) Project.	MIM Exploration Pty Ltd
41819	DIBBEN S M	1994	Annual Report for the period 07/04/93-06/04/94 Nth Duketon Project E38/423	MIM Exploration Pty Ltd
38703	DIBBEN S M	1993	Annual Report for the period 07/04/92-06/04/93 Duketon North Project E38/423	MIM Exploration Pty Ltd
32213	KONECNY S J	1990	North Duketon Project, Annual Report, November 1990, E38/189, 290, 291, 295, 297, 308 & 353.	BHP Minerals Pty Ltd
32228	KONECNY S J	1990	Greenstone Project, Annual Report, November 1990, E38/188.	BHP Minerals Pty Ltd

11 Glossary

Below are brief descriptions of some terms used in this report.

The following terms are taken from the 2015 VALMIN Code.

Annual Report means a document published by public corporations on a yearly basis to provide shareholders, the public and the government with financial data, a summary of ownership and the accounting practices used to prepare the report.

Australasian means Australia, New Zealand, Papua New Guinea, and their off-shore territories.

Code of Ethics means the Code of Ethics of the relevant Professional Organisation or Recognised Professional Organisations.

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

Experts are persons defined in the Corporations Act whose profession or reputation gives authority to a statement made by him or her in relation to a matter. A Practitioner may be an Expert. Also see Clause 2.1.

Exploration Results is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to http://www.jorc.org for further information.

Feasibility Study means a comprehensive technical and economic study of the selected development option for a mineral project that includes appropriately detailed assessments of applicable Modifying Factors together with any other relevant operational factors and detailed financial analysis that are necessary to demonstrate at the time of reporting that extraction is reasonably justified (economically mineable). The results of the study may reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project. The confidence level of the study will be higher than that of a Pre-feasibility Study.

Financial Reporting Standards means Australian statements of generally accepted accounting practice in the relevant jurisdiction in accordance with the Australian Accounting Standards Board (AASB) and the Corporations Act.

Independent Expert's Report means a Public Report as may be required by the Corporations Act, the Listing Rules of the ASX or other security exchanges prepared by a Practitioner who is acknowledged as being independent of the Commissioning Entity. Also see ASIC Regulatory Guides RG 111 and RG 112 as well as Clause 5.5 of the VALMIN Code for guidance on Independent Expert Reports.

Information Memoranda means documents used in financing of projects detailing the project and financing arrangements.

Investment Value means the benefit of an asset to the owner or prospective owner for individual investment or operational objectives.

Life-of-Mine Plan means a design and costing study of an existing or proposed mining operation where all Modifying Factors have been considered in sufficient detail to demonstrate at the time of reporting that extraction is reasonably justified. Such a study should be inclusive of all development and mining activities proposed through to the effective closure of the existing or proposed mining operation.

Market Value means the estimated amount of money (or the cash equivalent of some other consideration) for which the Mineral Asset should exchange on the date of Valuation between a willing buyer and a willing seller in an arm's length transaction after appropriate marketing wherein the parties each acted knowledgeably, prudently and without compulsion. Also see Clause 8.1 for guidance on Market Value.

Materiality or being **Material** requires that a Public Report contains all the relevant information that investors and their professional advisors would reasonably require, and reasonably expect to find in the report, for the purpose of making a reasoned and balanced judgement regarding the Technical Assessment or Mineral Asset Valuation being reported. Where relevant information is not supplied, an explanation must be provided to justify its exclusion. Also see Clause 3.2 for guidance on what is Material.
Member means a person who has been accepted and entitled to the post-nominals associated with the AIG or the AusIMM or both. Alternatively, it may be a person who is a member of a Recognised Professional Organisation included in a list promulgated from time to time.
Mineable means those parts of the mineralised body, both economic and uneconomic, that are extracted or to be extracted during the normal course of mining.
Mineral Asset means all property including (but not limited to) tangible property, intellectual property, mining and exploration Tenure and other rights held or acquired in connection with the exploration, development of and production from those Tenures. This may include the plant, equipment, and infrastructure owned or acquired for the development, extraction, and processing of Minerals in connection with that Tenure.
Most Mineral Assets can be classified as either:

(a) **Early-stage Exploration Projects** – Tenure holdings where mineralisation may or may not have been identified, but where Mineral Resources have not been identified.
(b) **Advanced Exploration Projects** – Tenure holdings where considerable exploration has been undertaken and specific targets identified that warrant further detailed evaluation, usually by drill testing, trenching or some other form of detailed geological sampling. A Mineral Resource estimate may or may not have been made, but sufficient work will have been undertaken on at least one prospect to provide both a good understanding of the type of mineralisation present and encouragement that further work will elevate one or more of the prospects to the Mineral Resources category.
(c) **Pre-Development Projects** – Tenure holdings where Mineral Resources have been identified and their extent estimated (possibly incompletely), but where a decision to proceed with development has not been made. Properties at the early assessment stage, properties for which a decision has been made not to proceed with development, properties on care and maintenance and properties held on retention titles are included in this category if Mineral Resources have been identified, even if no further work is being undertaken.
(d) **Development Projects** – Tenure holdings for which a decision has been made to proceed with construction or production or both, but which are not yet commissioned or operating at design levels. Economic viability of Development Projects will be proven by at least a Pre-Feasibility Study.
(e) **Production Projects** – Tenure holdings – particularly mines, wellfields, and processing plants – that have been commissioned and are in production.

Mine Design means a framework of mining components and processes taking into account mining methods, access to the Mineralisation, personnel, material handling, ventilation, water, power, and other technical requirements spanning commissioning, operation, and closure so that mine planning can be undertaken.
Mine Planning includes production planning, scheduling and economic studies within the Mine Design taking into account geological structures and mineralisation, associated infrastructure and constraints, and other relevant aspects that span commissioning, operation, and closure.
Mineral means any naturally occurring material found in or on the Earth's crust that is either useful to or has a value placed on it by humankind, or both. This excludes hydrocarbons, which are classified as Petroleum.

Mineralisation means any single mineral or combination of minerals occurring in a mass, or deposit, of economic interest. The term is intended to cover all forms in which mineralisation might occur, whether by class of deposit, mode of occurrence, genesis, or composition.

Mineral Project means any exploration, development, or production activity, including a royalty or similar interest in these activities, in respect of Minerals.

Mineral Securities means those Securities issued by a body corporate or an unincorporated body whose business includes exploration, development or extraction and processing of Minerals.

Mineral Resources is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to http://www.jorc.org for further information.

Mining means all activities related to extraction of Minerals by any method (e.g. quarries, open cast, open cut, solution mining, dredging etc).

Mining Industry means the business of exploring for, extracting, processing, and marketing Minerals.

Modifying Factors is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to http://www.jorc.org for further information.

Ore Reserves is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to http://www.jorc.org for further information.

Petroleum means any naturally occurring hydrocarbon in a gaseous or liquid state, including coal-based methane, tar sands and oil-shale.

Petroleum Resource and **Petroleum Reserve** are defined in the current version of the Petroleum Resources Management System (PRMS) published by the Society of Petroleum Engineers, the American Association of Petroleum Geologists, the World Petroleum Council, and the Society of Petroleum Evaluation Engineers. Refer to http://www.spe.org for further information.

Practitioner is an Expert as defined in the Corporations Act, who prepares a Public Report on a Technical Assessment or Valuation Report for Mineral Assets. This collective term includes Specialists and Securities Experts.

Preliminary Feasibility Study (Pre-Feasibility Study) means a comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable assumptions on the Modifying Factors and the evaluation of any other relevant factors that are sufficient for a Competent Person, acting reasonably, to determine if all or part of the Mineral Resources may be converted to an Ore Reserve at the time of reporting. A Pre-Feasibility Study is at a lower confidence level than a Feasibility Study.

Professional Organisation means a self-regulating body, such as one of engineers or geoscientists or of both, that:

(a) admits members primarily on the basis of their academic qualifications and professional experience.

(b) requires compliance with professional standards of expertise and behaviour according to a Code of Ethics established by the organisation; and

(c) has enforceable disciplinary powers, including that of suspension or expulsion of a member, should its Code of Ethics be breached.

Public Presentation means the process of presenting a topic or project to a public audience. It may include, but not be limited to, a demonstration, lecture or speech meant to inform, persuade, or build good will.

Public Report means a report prepared for the purpose of informing investors or potential investors and their advisers when making investment decisions, or to satisfy regulatory requirements. It includes, but is not limited to, Annual Reports, Quarterly Reports, press releases, Information Memoranda, Technical Assessment Reports, Valuation Reports, Independent Expert Reports, website postings and Public Presentations. Also see Clause 5 for guidance on Public Reports.

Quarterly Report means a document published by public corporations on a quarterly basis to provide shareholders, the public and the government with financial data, a summary of ownership and the accounting practices used to prepare the report.

Reasonableness implies that an assessment which is impartial, rational, realistic, and logical in its treatment of the inputs to a Valuation or Technical Assessment has been used, to the extent that another Practitioner with the same information would make a similar Technical Assessment or Valuation.

Royalty or Royalty Interest means the amount of benefit accruing to the royalty owner from the royalty share of production.

Securities has the meaning as defined in the Corporations Act.

Securities Expert are persons whose profession, reputation or experience provides them with the authority to assess or value Securities in compliance with the requirements of the Corporations Act, ASIC Regulatory Guides and ASX Listing Rules.

Scoping Study means an order of magnitude technical and economic study of the potential viability of Mineral Resources. It includes appropriate assessments of realistically assumed Modifying Factors together with any other relevant operational factors that are necessary to demonstrate at the time of reporting that progress to a Pre-Feasibility Study can be reasonably justified.

Specialist are persons whose profession, reputation, or relevant industry experience in a technical discipline (such as geology, mine engineering or metallurgy) provides them with the authority to assess or value Mineral Assets.

Status in relation to Tenure means an assessment of the security of title to the Tenure.

Technical Assessment is an evaluation prepared by a Specialist of the technical aspects of a Mineral Asset. Depending on the development status of the Mineral Asset, a Technical Assessment may include the review of geology, mining methods, metallurgical processes and recoveries, provision of infrastructure and environmental aspects.

Technical Assessment Report involves the Technical Assessment of elements that may affect the economic benefit of a Mineral Asset.

Technical Value is an assessment of a Mineral Asset's future net economic benefit at the Valuation Date under a set of assumptions deemed most appropriate by a Practitioner, excluding any premium or discount to account for market considerations.

Tenure is any form of title, right, licence, permit or lease granted by the responsible government in accordance with its mining legislation that confers on the holder certain rights to explore for and/or extract agreed minerals that may be (or is known to be) contained. Tenure can include third-party ownership of the Minerals (for example, a royalty stream). Tenure and Title have the same connotation as Tenement.

Transparency or being **Transparent** requires that the reader of a Public Report be provided with sufficient information, the presentation of which is clear and unambiguous, to understand the report and not be misled by this information or by omission of Material information that is known to the Practitioner.

Valuation is the process of determining the monetary Value of a Mineral Asset at a set Valuation Date.

Valuation Approach means a grouping of valuation methods for which there is a common underlying rationale or basis.
Valuation Date means the reference date on which the monetary amount of a Valuation in real (dollars of the day) terms is current. This date could be different from the dates of finalisation of the Public Report or the cut-off date of available data. The Valuation Date and date of finalisation of the Public Report **must** not be more than 12 months apart.
Valuation Methods means a subset of Valuation Approaches and may represent variations on a common rationale or basis.
Valuation Report expresses an opinion as to monetary Value of a Mineral Asset but specifically excludes commentary on the value of any related Securities.
Value means the Market Value of a Mineral Asset.

Rox Resources Significant Intersections – Fisher East Project

Diamond Drilling

Note RL not reported due to formatting constraints, the Fisher East project is generally very flat and a nominal RL of 540m is an approximate elevation.

Hole	East	North	Depth	Dip	Azimuth	From	To	Interval	Ni%	m%	Prospect
MFED081	355987	7035994	325.1	-68	255	288.8	289.1	0.3	7.5	2.3	Camelwood
MFED080	356899	7034248	751.1	-72	260	701.7	706	4.3	2	8.6	Musket
including						701.7	702	0.3	8.1		
MFED076W1	356460	7035843	758.2	-73	265	718.3	720.7	2.4	2.4	5.8	Camelwood
including						718.9	719.1	0.2	5.2		
MFED079	356760	7034340	658.5	-70	260	522.5	523	0.5	4.7	2.4	Musket
MFED078	359211	7028305	364.4	-65	240	337.3	339.6	2.3	2.4	5.6	Sabre
including						338.2	338.9	0.7	3.7		
MFED077	359306	7028191	356.8	-70	240	330	334.8	4.8	1.2	5.6	Sabre
MFED076	356460	7035843	741	-73	265	693.3	701	7.7	1.4	9.1	Camelwood
including						693.3	694.7	1.4	2.9		
MFED075	359400	7028067	361.2	-70	236	315.5	317.5	2	1	2	Sabre
MFED074	359263	7028033	299.3	-73	240	214.8	215.5	0.7	1.5	10.1	Sabre
And						219	227	8	1.1		
MFED073	356447	7034799	417.4	-65	250	376	377	1	1.9	2.7	Cannonball
And						378.1	378.6	0.5	1.6		
MFED072	359228	7028117	319.1	-62	240	186.4	188	1.6	1.4	2.2	Sabre
MFED071	359653	7027792	475	-62	255	443.5	443.6	0.1	2.8	0.3	Sabre
MFED070	356439	7034709	391.2	-66	260	366.3	367.3	1	1.6	3	Cannonball
And						369.6	370.8	1.2	1.2		
MFED069	356303	7034740	270.7	-65	260	246.5	247.6	1.1	1.5	1.6	Cannonball
MFED068	356707	7034026	441.7	-65	250	407.47	407.5	0.07	2.8	0.2	Musket
MFED067	356450	7034800	489.8	-75	255	464.7	466	1.3	1.6	2.1	Cannonball
MFED066	356372	7034741	330.8	-65	261	293.5	298	4.5	2.3	10.2	Cannonball
MFED064	356738	7034175	492.6	-60	261	457.5	458.2	0.7	3.6	2.4	Musket
including						457.5	457.6	0.14	9.1		
MFED063	356768	7033836	462.7	-70	268	414.2	416	1.8	1.55	15	Musket
And						419.9	428.5	8.6	1.42		
Including						425	427.9	2.9	2.24		
MFED062	356802	7033917	522.7	-66	261	486.3	486.5	0.2	13	12.7	Musket
And						490	495.1	5.1	2		
MFED061	356348	7034690	299.3	-66	247	266.6	268.8	2.2	1.92	4.2	Cannonball
MFED060	356168	7034897	207.6	-60	275	189.3	191.3	2	1.41	2.8	Camelwood
MFED059	356704	7034030	474.9	-70	264	450.4	451.8	1.4	1.44	2	Musket
MFED058	356653	7034098	418.6	-60	268	366.9	369.2	2.3	4.1	9.3	Musket
MFED057	356351	7034696	296.8	-60	261	255.3	260.6	5.3	2.69	14.2	Cannonball
Including						255.3	257.2	1.9	4.82		
MFED056	356752	7033958	507.6	-62	261	456.6	465.3	8.7	1.58	13.7	Musket
Including						456.6	456.8	0.2	5.44		
MFED055	356680	7033760	313.9	-63	259	275.9	276	0.1	5.17	0.5	Musket
MFED054	356600	7033919	321.9	-67	270	298.5	301.3	2.8	4.49	12.6	Musket
Including						298.8	299.5	0.7	14.6		
MFED053	356600	7033920	285.7	-58	266	257	257.8	0.8	4.04	3.2	Musket
MFED052	356515	7034000	249.1	-69	270	220.8	220.9	0.1	1.72	0.2	Musket
MFED051	356450	7034600	420.7	-62	268	367.8	368.9	1.1	4.1	4.5	Cannonball
MFED050	356700	7033880	401.6	-61	262	361	368.7	7.7	1.79	13.9	Musket
Including						363	366	3	2.37		

Hole	East	North	Depth	Dip	Azimuth	From	To	Interval	Ni%	m%	Prospect
MFED049	356600	7033920	401.8	-78	248	352.1	369	16.9	2.03	34.3	Musket
Including						358	364.6	6.6	2.59		
MFED048	356600	7033920	352.2	-70	270	311.5	321.1	9.6	1.22	11.7	Musket
Including						311.5	314	2.5	2.1		
MFED047	356670	7033800	350	-63	268	295.6	303	7.4	1.9	14.1	Musket
Including						295.6	297	1.4	2.5		
Including						299.9	303	3.1	2.24		
MFED046	356670	7033800	330	-56	266	265.2	265.5	0.3	13.3	8.5	Musket
And						270	272.9	2.9	1.57		
MFED045	356620	7033840	307	-66	266	268	277.2	9.2	1.87	17.2	Musket
MFED044	356620	7033840	292	-59	270	248	263.9	15.9	2.12	33.7	Musket
Including						252.2	262.4	10.2	2.6		
MFED043	356611	7033879	355	-68	275	305.1	321.3	16.2	2.84	46	Musket
Including						305.1	305.9	0.8	19		
MFED042	356611	7033879	319.4	-62	268	264.7	279.7	15	2.72	40.8	Musket
Including						264.7	265.6	0.9	19.5		
MFED041	356181	7035398	346.8	-72	270	315.9	316.2	0.3	2.44	0.7	Camelwood
MFED040	356180	7035398	322	-60	270	290	291.9	1.9	3.11	5.8	Camelwood
MFED039	356094	7035790	381.8	-60	270	358.8	366.1	7.3	1.88	13.6	Camelwood
Including						358.8	364.4	5.6	2.13		
Including						358.8	359.2	0.4	6.05		
And						365.5	366.1	0.6	2.43		
MFED038	356270	7035500	433	-64	270	392.8	393.1	0.3	4.52	7	Camelwood
And						395.1	398.3	3.2	1.43		
Including						395.1	395.5	0.4	3.76		
And						402	402.8	0.8	1.38		
MFED037	356065	7035650	276.3	-65	270	246.6	249.6	3	1.58	15.1	Camelwood
Including						246.6	247.7	1.1	3.21		
And						251	253.2	2.2	1.79		
And						255	257.9	2.9	2.21		
MFED036	356363	7035800	604.5	-58	270	569	570.6	1.6	3.69	6.1	Camelwood
MFED035	356132	7035600	306.5	-58	270	283.5	289.8	6.3	1.54	14.3	Camelwood
And						293	296.5	3.5	1.35		
MFED034	356153	7035951	484	-65	270	455	456.6	1.6	2.25	3.6	Camelwood
Including						455	455.5	0.5	5.29		
MFED033	356151	7035503	284.9	-51	270	265.2	268.4	3.2	3.39	10.9	Camelwood
Including						265.6	268.4	2.8	3.72		
MFED032	356151	7035503	373.2	-65	270	312.7	316.1	3.4	2.74	9.3	Camelwood
Including						314.6	316.1	1.5	4.11		
MFED031	356153	7035951	535.9	-72	270	496.8	497.1	0.3	9.01	2.2	Camelwood
MFED030	356135	7035002	250	-75	270	234	235	1	0.48	0.5	Camelwood
MFED029	356184	7035754	448	-57	270	406.4	407.2	0.8	3.4	2.7	Camelwood
MFED028	356197	7035899	550	-73	270	522.8	523	0.2	5.29	1.3	Camelwood
MFED027	356110	7035698	346	-65	270	317.3	320.4	3.1	2.11	6.5	Camelwood
Including						317.3	317.8	0.5	4.27		
MFED026	356195	7035903	504.5	-65	270	483	485.7	2.7	5.2	14	Camelwood
Including						483.9	485.7	1.8	6.3		
MFED025	356241	7035612	401.4	-50	270	373.8	380.8	7	2.4	16.8	Camelwood
Including						373.8	378	4.2	3.17		
MFED024	356241	7035612	435.3	-60	270	409.8	410.3	0.5	6.44	3.2	Camelwood
MFED023	356106	7035799	403	-65	270	377.4	382	4.6	2.58	12	Camelwood
Including						377.4	380	2.6	3.28		
Including						377.4	377.9	0.5	4.98		

Hole	East	North	Depth	Dip	Azimuth	From	To	Interval	Ni%	m%	Prospect
And						379	380	1	4.26		
MFED022	356109	7035796	274	-70	270	246.2	250	3.8	2.73	10.3	Camelwood
Including						246.2	249	2.8	3.49		
MFED021	355999	7035749	249.9	-62	270	226	229	3	1.94	5.7	Camelwood
Including						226	227	1	3.36		
MFED020	356000	7035749	309.3	-75	270	269.7	277	7.3	1.94	14.2	Camelwood
Including						269.7	275	5.3	2.4		
Including						269.7	270.2	0.5	6.67		
MFED019	355999	7036000	369.5	-74	270	340.7	344	3.3	1.88	6.2	Camelwood
Including						340.7	341.5	0.8	5.01		
MFED018	355995	7036000	450.4	-85	270	415	416.6	1.6	3.19	5.6	Camelwood
And						417.6	417.8	0.2	1.55		
MFED015	355859	7036150	240.85	-78	270	202.5	202.9	0.5	1.47	0.9	Camelwood
And						217.3	217.5	0.2	1.04		
MFED014	355823	7036149	162.3	-55	270	130.6	138	7.4	1.89	14	Camelwood
Including						130.6	132.1	1.5	3.6		
MFED013	355823	7036149	171.45	-65	270	140.9	141.6	0.7	5.88	4	Camelwood
MFED012	355996	7035702	427.1	-90	270	375.7	376.4	0.7	3.84	2.8	Camelwood
MFED011	355999	7035850	316	-62	270	293.7	294	0.3	1.88	0.5	Camelwood
MFED010	355999	7035850	367.2	-72	270	341.1	347.3	6.2	3.3	20.3	Camelwood
Including						341.1	341.4	0.3	3.43		
And						341.7	341.9	0.2	10.97		
And						342.3	347.3	5	3.43		
Including						342.3	343.9	1.6	5.81		
MFED009	355999	7035850	426.9	-85	270	401.7	403.7	2	1.61	3.3	Camelwood
Including						401.7	401.9	0.2	3.49		
And						402.7	403.7	1	2.6		
MFED008	355999	7035850	376.3	-80	270	350.5	352.3	1.8	2.81	5.1	Camelwood
Including						350.5	350.8	0.3	4.03		
MFED007	356000	7035795	421.1	-85	270	388.7	389.9	1.2	5.2	6.2	Camelwood
Including						388.7	389.4	0.7	7.79		
MFED006	355995	7035900	346.2	-70	270	317.7	319	1.3	2.55	3.3	Camelwood
Including						317.7	318.3	0.6	3.76		
MFED005	355995	7035900	421.3	-78	270	382	387.7	5.7	2.25	12.8	Camelwood
Including						382	382.4	0.4	5.38		
And						384.6	387.7	3.1	3.37		
Including						384.6	386.3	1.7	4.64		
MFED004	355900	7036097	216.1	-60	270	197.3	214.4	17.1	0.47	8	Camelwood
MFED003	355991	7035593	210.9	-80	270	178.3	185.8	7.5	1.22	9.2	Camelwood
Including						178.3	178.7	0.4	3.76		
MFED002	355996	7035702	261.5	-75	270	211.7	228	16.3	1.79	29.2	Camelwood
Including						211.7	218	6.3	2.53		
Including						212	212.5	0.5	5.42		
MFED001	355997	7035799	397.3	-75	270	282.6	294	11.4	2.93	33.4	Camelwood
Including						282.6	289	6.4	3.8		
Including						282.6	285.5	2.9	4.66		

Reverse Circulation (RC) Drilling

Note RL not reported due to formatting constraints, the Fisher East project is generally very flat and a nominal RL of 540m is an approximate elevation.

Hole	East	North	Depth (m)	Dip	Azimuth	From (m)	To (m)	Interval	Ni%	m%	Prospect
MFEC140	359964	7026816	151	-60	240	125	126	1	0.85	0.9	Mt Tate
MFEC137	359903	7027008	250	-60	240	196	197	1	0.81	0.8	Mt Tate
MFEC136	359936	7026911	166	-60	240	146	148	2	1.42	2.8	Mt Tate
MFEC135	359831	7027059	154	-60	240	141	145	4	0.57	2.3	Mt Tate
MFEC133	358747	7028426	142	-60	240	115	120	5	0.67	3.4	Sabre North
MFEC132	358083	7029228	154	-60	240	108	112	4	0.43	3.1	Cutlass
and						134	138	4	0.35		
MFEC128	359958	7026813	149	-60	240	94	96	2	1.45	3	Mt Tate
MFEC127	359860	7026982	159	-60	240	121	122	1	0.88	0.9	Mt Tate
MFEC125	359261	7028083	256	-65	240	232	245	13	1.3	16.9	Sabre
MFEC124	359194	7028154	238	-65	240	216	219	3	1.9	6.9	Sabre
and						223	224	1	1.2		
MFEC121	359132	7028122	184	-57	240	162	166	4	1.2	4.6	Sabre
MFEC120	359209	7028052	184	-57	240	159	167	8	1.3	10.2	Sabre
MFEC119	359280	7027985	196	-55	240	165	166	1	1.3	9.5	Sabre
and						171	177	6	1.4		
MFEC118	359258	7028033	220	-60	240	178	194	16	1.3	22.8	Sabre
including						178	179	1	2.4		
and						196	197	1	2		
MFEC117	359229	7028119	232	-60	240	203	204	1	2.2	6.6	Sabre
and						209	211	2	2.2		
MFEC116	359075	7028142	160	-60	240	140	145	5	1.2	6	Sabre
MFEC115	359141	7028067	160	-60	240	127	137	10	1.9	19	Sabre
including						127	133	6	2.3		
MFEC113	359219	7028012	184	-60	240	146	154	8	1.4	12.7	Sabre
including						146	147	1	3.4		
and						160	161	1	1.3		
MFEC112	359290	7027935	184	-60	240	135	144	9	1.3	11.3	Sabre
MFEC110	359434	7027785	172	-60	240	147	149	2	1.1	2.2	Sabre
MFEC108	359472	7027745	166	-60	240	135	136	1	1.1	4.8	Sabre
and						141	144	3	1.2		
MFEC103	356233	7034550	112	-60	270	87	90	3	1.5	4.6	Cannonball
MFEC102	356206	7034640	130	-60	270	114	119	5	3.4	17.1	Cannonball
including						114	116	2	6		
MFEC101	356181	7034603	100	-60	270	81	86	5	1.4	7.1	Cannonball
MFEC099	359455	7027686	121	-70	240	97	98	1	3.2	3.2	Sabre
MFEC098	355950	7035900	220	-60	274	189	190	1	1.26	1.3	Camelwood Nth
MFEC097	355898	7035999	187	-60	274	163	164	1	1.16	1.2	Camelwood Nth
MFEC096	355899	7036046	202	-60	274	176	177	1	0.94	0.9	Camelwood Nth
MFEC092	355922	7035950	187	-60	272	167	169	2	2.99	6	Camelwood

Hole	East	North	Depth (m)	Dip	Azimuth	From (m)	To (m)	Interval	Ni%	m%	Prospect
MFEC091	355990	7035846	241	-60	270	229	232	3	2.23	6.7	Camelwood
MFEC090	356122	7035199	217	-60	275	206	207	1	0.95	1	Camelwood Sth
MFEC088	356104	7035099	187	-60	275	174	175	1	1.07	1.1	Camelwood Sth
MFEC087	356087	7035049	163	-60	275	141	142	1	1.34	1.3	Camelwood Sth
MFEC086	356135	7034995	198	-60	275	177	178	1	1.23	1.2	Camelwood Sth
MFEC085	356310	7034654	222	-58	268	198	203	5	2.1	10.5	Cannonball
MFEC084	356232	7034750	213	-55	270	190	191	1	1.49	1.5	Cannonball
MFEC083	356263	7034682	228	-65	274	191	195	4	1.85	7.4	Cannonball
MFEC082	356237	7034651	173	-55	272	154	163	9	2.75	24.7	Cannonball
including						155	160	5	4.12		
MFEC080	356268	7034650	200	-60	272	168	171	3	4.69	14.1	Cannonball
including						168	170	2	6		
MFEC079	356364	7034549	259	-60	275	238	239	1	1.83	1.8	Cannonball
MFEC078	356537	7033834	179	-60	260	155	165	10	2.25	22.5	Musket
MFEC074	356505	7033885	170	-60	259	142	143	1	3.63	3.6	Musket
MFEC072	356560	7033889	228	-62	277	205	210	5	8.39	42	Musket
including						206	209	3	12.1		
including						206	207	1	20.7		
MFEC071	356550	7033889	203	-55	259	178	182	4	8.43	33.7	Musket
MFEC070	356451	7034101	177	-60	271	154	155	1	1.08	1.1	Musket
including						178	180	2	14.7		
MFEC068	356309	7034546	197	-60	275	180	183	3	2.28	6.8	Cannonball
MFEC067	356544	7033836	200	-60	277	161	178	17	2.06	35	Musket
including						161	162	1	8.89		
MFEC066	356553	7033892	237	-55	276	189	192	3	5.88	17.6	Musket
including						190	191	1	14.8		
MFEC065	356577	7033881	258	-57	270	227	244	17	2.17	36.9	Musket
including						227	235	8	3.34		
including						227	229	2	8.14		
MFEC064	356554	7033851	218	-60	270	191	205	14	1.52	21.3	Musket
MFEC063	356200	7034800	203	-60	270	189	190	1	3	3	Cannonball
MFEC059	356592	7033847	243	-60	270	214	231	17	2.22	37.7	Musket
including						214	218	4	3.19		
including						215	216	1	6.23		
and						225	229	4	2.5		
MFEC058	356606	7033706	208	-60	270	185	186	1	1.34	1.3	Musket
MFEC057	356592	7033753	208	-60	270	188	189	3	1.54	4.6	Musket
MFEC056	356550	7033750	158	-60	270	127	133	6	1.49	9	Musket
MFEC055	356610	7033800	248	-60	270	220	231	11	1.77	19.4	Musket
including						225	228	3	2.35		
MFEC053	356315	7034600	210	-60	270	199	200	1	4.19	4.2	Cannonball
MFEC052	356238	7034700	200	-60	270	176	177	1	4.53	4.5	Cannonball
MFEC049	356270	7034600	186	-60	270	158	163	5	2.34	11.7	Cannonball
including						159	160	1	3.19		
and						162	163	1	4.61		

Hole	East	North	Depth (m)	Dip	Azimuth	From (m)	To (m)	Interval	Ni%	m%	Prospect
MFEC048	356570	7033800	216	-60	270	176	189	13	1.93	25	Musket
including						180	185	5	2.55		
MFEC047	356555	7033700	143	-60	270	126	127	1	1.04	1	Musket
MFEC045	356246	7034500	110	-60	270	84	88	4	2	8	Cannonball
MFEC043	356186	7034699	164	-65	270	128	130	2	2.36	4.7	Cannonball
MFEC042	356220	7034600	150	-60	270	114	119	5	2.03	10.2	Cannonball
MFEC040	356528	7033800	150	-60	270	129	136	7	1.84	12.9	Musket
MFEC037	356469	7033994	159	-60	270	129	132	3	3.13	9.4	Musket
including						129	131	2	4.01		
MFEC036	356463	7033793	144	-60	270	55	64	9	1.32	11.8	Musket
MFEC033	356070	7035001	138	-60	270	119	121	2	3.5	7	Camelwood
Including						119	120	1	5.71		
MFEC032	355826	7036155	174	-60	270	144	146	2	2.02	4	Camelwood
MFEC031	356059	7035096	140	-60	270	124	126	2	1.12	2.2	Camelwood
MFEC030	356058	7035199	156	-60	270	140	144	4	1.9	7.6	Camelwood
Including						140	141	1	2.84		
MFEC029	356054	7035294	150	-65	270	134	135	1	1.22	1.2	Camelwood
MFEC028	355993	7035558	156	-70	270	146	148	2	1.36	2.7	Camelwood
MFEC027	356003	7035300	102	-75	270	NSR		Gossanous 78-79m			Camelwood
MFEC026	356000	7035397	138	-75	270	111	112	1	1.13	1.1	Camelwood
MFEC025	355697	7036402	130	-60	270	NSR					
MFEC024	355970	7035650	186	-60	270	144	148	4	1.27	9.2	Camelwood
And						155	159	4	1.04		
MFEC023	355750	7036300	141	-60	270	101	120	19	0.44	8.4	Camelwood
MFEC022	355933	7035854	216	-60	270	186	187	1	2.55	2.6	Camelwood
MFEC021	355769	7036249	150	-60	270	105	124	19	1.32	25.1	Camelwood
MFEC020	355928	7035750	174	-60	270	141	146	5	1.8	12	Camelwood
Including						141	143	2	2.49		
And						157	159	2	1.49		
MFEC017	355720	7036259	86	-60	270	NSR		Gossanous 56-65m			Camelwood
MFEC016	355881	7035958	156	-60	270	129	133	4	1.11	4.4	Camelwood
MFEC015	355845	7036059	162	-60	270	125	130	5	1.33	6.7	Camelwood
MFEC012	355832	7036200	168	-70	270	153	154	1	1.1	1.1	Camelwood
MFEC010	355829	7036103	150	-60	270	118	136	18	1.53	27.5	Camelwood
Including						119	128	9	2.04		
MFEC007	355854	7035998	150	-60	270	118	121	3	1.82	5.5	Camelwood
MFEC006	355994	7035506	150	-65	270	126	126	1	2.48	2.5	Camelwood
MFEC005	355903	7035893	187	-60	270	147	148	1	2.99	3	Camelwood
MFEC004	355974	7035692	182	-60	270	159	179	20	1.06	21.2	Camelwood
Including						159	165	6	1.36		
Including						169	174	5	1.49		
MFEC003	355986	7035594	172	-65	270	141	146	5	1.45	12.4	Camelwood
And						152	155	3	1.72		
Including						152	154	2	2.22		
MFEC002	355956	7035802	242	-75	270	212	216	4	1.99	8	Camelwood

Hole	East	North	Depth (m)	Dip	Azimuth	From (m)	To (m)	Interval	Ni%	m%	Prospect
MFEC001	355899	7035798	162	-70	270	130	133	3	1.27	3.8	Camelwood
Including						130	132	2	1.58		

Rox Resources Significant Intersections – Collurabbie Project

Diamond Drilling

Hole	East	North	RL	Depth	From	To	Interval	Ni %	Cu %	Pt+Pd g/t	Co %	Prospect
CXDD001	422012	7025970	518	231	201.15	201.38	0.23	1.74	1.44	1.46	0.06	Olympia
and					203.16	205.27	2.11	0.78	0.53	N/R	0.04	
CXDD002	421979	7026902	515	252.6	167.29	167.45	0.16	0.48	0.25	0.53	0.02	Olympia North
CXDD003	421897	7027007	515	249.5	202.87	203.07	0.2	0.91	0.81	0.62	0.03	Olympia North
CXDD004	422035	7026002	517	123	90.42	92.22	1.8	1.27	2.81	5.97	0.09	Olympia
and					97.95	104	6.05	1.31	1.06	2.25	0.12	
including					97.95	99.86	1.91	2.25	2.02	3.21	0.07	

Note N/R - not reported.

Reverse Circulation (RC) Drilling

Hole	East	North	RL	Depth	From	To	Interval	Ni %	Cu %	Pt+Pd g/t	Co %	Prospect
CXRC001	422081	7026902		132	64	96	32	0.48	0.28	0.57	0.03	Olympia North
CXRC003	422081	7026902		126	76	81	5	0.63	0.30	0.66	0.03	Olympia North
CXRC013	422000	7027100	516	88	57	62	5	0.83	0.55	0.98	0.04	Olympia North
including					58	60	2	1.09	0.73	1.23	0.05	
CXRC014	422056	7026002	518	120	77	82	5	2.31	1.16	2.45	0.11	Olympia
Including					77	79	2	3.24	1.25	2.31	0.14	
CXRC016	422055	7025900	514	185	159	161	2	1.61	1	2.69	0.08	Olympia
including					160	161	1	2.35	1.18	3.58	0.09	
CXRC017	422061	7025973	514	115	84	96	12	0.57	0.55	1.33	0.04	Olympia

Aircore Drilling Significant Assay Results reported in the report.

Prospect	Hole	Easting	Northing	RL	Depth	From	To	Interval	Ni %	Cu %	Co %	Pt ppm	Pd ppm	Au ppm
Olympia	CXAC086	422135	7026898	515	42	8	28	20	0.70	0.40	-	0.305	0.464	-
North	CXAC156	422041	727320	516.6	51	4	8	4	0.24	0.0056	0.0209	-	-	-
Ortus	CXAC008	421601	7025600	517	71	16	40	24	0.56	0.12	-	0.178	0.212	-
	inc					20	32	12	0.74	0.19	-	0.309	0.315	-
	CXAC046	421575	7025603	517	47	16	40	24	0.56	0.04	-	0.078	0.084	-
Ortus Nth / Beta Sill	CXAC011	421431	7026541	517	31	4	31	27	0.45	0.090	-	0.012	0.012	-
	CXAC041	421542	7026118	517	41	4	24	20	0.39	0.204	-	-	-	-
Troy	CXAC123	419485	7032688	526.7	40	28	40	12	0.80	0.0259	0.0567	-	-	-
	CXAC124	419412	7032686	527.4	52	28	52	24	0.47	0.0113	0.0230	-	-	-
Zeus	CXAC186	425086	7024698	506.4	36	16	36	20	0.33	0.0049	0.0188	-	-	-
South	CXAC187	425016	7024697	506.4	36	8	36	28	0.48	0.0035	0.0290	-	-	-

Prospect	Hole	Easting	Northing	RL	Depth	From	To	Interval	Ni %	Cu %	Co %	Pt ppm	Pd ppm	Au ppm
Naxos	CXAC020	423341	7026835	512	63	44	48	4	-	-	-	-	-	0.15
	CXAC031	423312	7026685	512	56	44	48	4	-	-	-	-	-	0.25
	CXAC033	423453	7026506	512	71	52	56	4	-	-	-	-	-	0.58
	CXAC037	423436	7026305	513	62	32	36	4	-	-	-	-	-	0.21
	And					40	44	4	-	-	-	-	-	0.22
	CXAC038	423383	7026295	513	90	80	84	4	-	-	-	-	-	0.22

Note "-" assay not reported.

JORC Table 1 for Fisher East Project

The references to third parties other than Rox Resources Ltd have been included without consent throughout this table.

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	Nature and quality of sampling (e.g., cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.	The Fisher East deposits have been sampled at a nominal 40 m by 40m to 80m by 80 m spacing using a combination of 5.5" (140 mm) reverse circulation percussion (RC) and diamond drill (DD) holes. Core size was dominantly NQ2 size diameter. In summary, results of the following drilling were used for this resource estimation: Camelwood: 38 RC holes for a drilled length of 6470.0m and 41 DD holes for a drilled length of 15,56.2m. Cannonball: 21 RC holes for a drilled length of 3,618.0m and 10 DD holes for a drilled length of 3,566.0m. Musket: 25 RC holes for a drilled length of 4,594.0m and 20 DD holes for a total depth of 7,565.1m. Holes were drilled towards grid west at varying dips to intersect the mineralised zones at close to perpendicular. Regional drilling consisting of aircore, RC and diamond drilling has occurred with this work undertaken based on the same criteria as used for the drilling at Camelwood, Cannonball and Musket. The Sabre Exploration Target has been drilled and sampled by RC and diamond drilling on a wide spacing and there is insufficient drilling to allow the estimation of a mineral resource.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used	1m RC samples were collected by a cone splitter. Diamond core drilling was logged for lithology, structure, alteration, geotechnical and other attributes. Rox sampling and assaying procedures meet quality assurance and quality control (QA/QC) measures that are of industry best practice standards.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g., 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g., submarine nodules) may warrant disclosure of detailed information	Diamond core is dominantly NQ2 size, sampled on geological intervals, with a minimum of 0.1 m up to a maximum of 1.5 m. NQ2 core is halved longitudinally by sawing; HQ core is quartered. RC drill holes were sampled on 1m intervals using cone splitter units. Samples were sent to Intertek Genalysis in Kalgoorlie, crushed to 10mm, dried and pulverised (total prep) in LM5 units (Some samples > 3kg were split) to produce a sub-sample. The pulps were then sent to Perth for analysis by four acid digest with a multi-element ICP-OES finish (code: 4A/OE-multi element). Au, Pt and Pd were analysed by 25 gram fire assay with a mass spectrometer finish. Internal laboratory QA makes use of blanks, certified reference materials, duplicate and replicate sampling and assaying.

Criteria	JORC Code explanation	Commentary
Drilling techniques	Drill type (e.g., core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g., core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	Drilling techniques were Reverse Circulation (RC) and diamond core (DD). Aircore drilling occurred for the regional exploration and external to the mineral resources. The aircore drilling was not used in any resource estimates. The RC hole diameter was 140mm face sampling hammer. Hole depths range from 86m to 259m. DD hole diameter was NQ2 with HQ pre-collar and upper hole portions. Hole depths range from 162.3m to 751.1m. Pre-collars for diamond holes were drilled using a roller bit and reamed to HW casing size. Core was orientated using a Camtech orientation tool.
Drill sample recovery	Method of recording and assessing core and chip sample recoveries and results assessed	Diamond drill core recoveries were logged and recorded in the database. Overall recoveries were >95%, and there were no significant core loss or recovery problems. RC drill recoveries were very good; almost all samples were dry. Aircore drilling away from the deposits and external to the mineral resources provided very good samples and were generally dry.
	Measures taken to maximise sample recovery and ensure representative nature of the samples	Diamond core was reconstructed into continuous sample runs on an angle iron used for orientation marking. Depths were measured and checked against marked depths on the core blocks. RC samples (and aircore away from the deposits) were visually checked for recovery, moisture and contamination and notes made in the logs. Single meter aircore samples were collected and placed on to the ground.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Samples used for the Mineral Resource estimate came from both RC and DD drilling, both of which had high recoveries. There is no observable relationship between recovery and grade, and therefore no sample bias from this cause.
Logging	Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.	Detailed geological and geotechnical logs were carried out on all diamond drill holes for recovery, rock quality designation (RQD) and structures including logging of structure type, dip, dip direction, alpha angle, beta angle, texture, fill material. This data is stored in the drill hole database.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Logging of diamond core and RC chips and aircore recorded lithology, mineralogy, mineralisation, structure (for DD only), weathering, colour, and other sample features. Core was photographed wet and is stored in plastic core trays. RC chips are stored in plastic RC chip trays. Aircore chips were generally not retained.
	The total length and percentage of the relevant intersections logged	All holes were logged in full except for the rock roller bit diamond hole pre-collars (0-80m in most cases).
Sub-sampling techniques and sample preparation	If core, whether cut or sawn and whether quarter, half or all core taken.	Drill core was cut in half longitudinally on site using a core saw. All samples in a hole were collected from the same side of the core, preserving the orientation mark in the retained core.

Criteria	JORC Code explanation	Commentary
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	RC samples were collected on the drill rig using a cone splitter. Aircore samples were collected via buckets and placed in order adjacent to the drill pad, these were sampled via spear sampling the drill spoil. The majority of these samples were collected dry. Very few of the mineralised samples were collected wet, and these were noted in the drill logs and database.
	For all sample types, the nature, quality, and appropriateness of the sample preparation technique.	Sample preparation followed industry best practice at the laboratory of Intertek Genalysis in Kalgoorlie. This involved oven drying, coarse crushing of diamond core to ~10mm, followed by pulverisation of the entire sample in an LM5 or equivalent pulverising mill to a grind size of 85% passing 75 micron.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Field QC procedures involve the use of Certified Reference Materials (CRM's) as assay standards, along with blanks, duplicates, and barren waste samples. The insertion rate of these was approximately 1:20.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	No diamond core field duplicates were taken. For RC drilling field duplicates were taken at an approximate 1:50 ratio using the same sampling techniques, that is a cone splitter.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample sizes are considered more than adequate to ensure that there are no particle size effects relating to the grain size of the mineralisation which lies in the percentage range.
Quality of assay data and laboratory tests	The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.	The analytical technique involved a four acid digest followed by multi-element ICP/OES analysis (Intertek analysis code 4A/OE). The four acid digest involves hydrofluoric, nitric, perchloric and hydrochloric acids and is considered a "complete" digest for most material types, except certain chromite minerals.
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	No geophysical or portable analysis tools were used to determine assay values stored in the database.
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Internal laboratory control procedures involve duplicate assaying of randomly selected assay pulps as well as internal laboratory standards. All of these data are reported to the Company and analysed for consistency and any discrepancies. Check assays were undertaken at an independent third party assay laboratory and correlated extremely well.
Verification of sampling and assaying	The verification of significant intersections by either independent or alternative company personnel.	Senior technical personnel from Rox Resources (Managing Director, Chairman and Exploration Manager) have visually inspected and verified the significant drill core intersections.
	The use of twinned holes.	No drill holes were twinned.

Criteria	JORC Code explanation	Commentary
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Primary data was collected using a standard set of Excel templates on Toughbook laptop computers in the field. These data were transferred to Geobase Pty Ltd for data verification and loading into the drill hole database.
	Discuss any adjustment to assay data.	No adjustments or calibrations have been made to any assay data.
Location of data points	Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.	Drill hole surveying of RC and diamond holes was carried out by a licensed surveyor with a DGPS unit. Aircore holes were located by a hand held GPS. Down hole surveys were carried out regularly with a minimum interval 30m downhole spacing with electronic digital magnetic Reflex or Ranger Survey Tool. There was no downhole surveys of any aircore holes
	Specification of the grid system used.	The grid system used was MGA_GDA94, zone 51.
	Quality and adequacy of topographic control.	A topographic surface was generated from drill collar surveys, in addition, digital terrain models were generated from low level airborne geophysical surveys.
Data spacing and distribution	Data spacing for reporting of Exploration Results.	Within the resource areas nominal drill hole spacing was 80 x 80 metres, with some areas in filled to 40 x 40 metre spacing. Aircore drilling on regional targets was at highly variable drill spacing.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	The geology and grade of the mineralisation showed continuity from hole to hole that was sufficient to support the estimation of a Mineral Resource and the classifications contained in the JORC Code (2012 Edition).
	Whether sample compositing has been applied.	For diamond drill holes, no physical sample compositing was used. Nominal sample length was one metre with adjustments to match lithological boundaries where required. For RC samples, mineralised zones were sampled at a one metre intervals; sample compositing occurred over 4 metre intervals for un-mineralised material.
Orientation of data in relation to geological structure	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	The deposits strike at about 345 degrees and dip to the east at between -60 to -75 degrees. Drill holes were oriented at 270 degrees, slightly oblique to the perpendicular direction, however, many drill holes swung slightly south (to about 255 degrees) so were became oriented perpendicular to strike. This is confirmed in structural logging of mineralised zones.

Criteria	JORC Code explanation	Commentary
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	No sampling bias is believed to have been introduced by this cause.
Sample security	The measures taken to ensure sample security.	Sample security is managed by the Company. After preparation in the field samples were packed into polyweave bags and despatched to the assay laboratory in Kalgoorlie. For a large number of samples, these bags were transported by the Company directly to the laboratory. In some cases, the samples were delivered to a transport contractor who then delivered the samples to the laboratory. The laboratory procedure is to audit the samples on arrival and report any discrepancies back to the Company. No such discrepancies occurred.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	Reviews of the sampling techniques and data were carried out by Optiro Pty Ltd as part of Mineral Resource estimates made for Camelwood in 2013 and for Musket in 2014, and by Mining One for this Mineral Resource estimate. The database is considered by Optiro and Mining One to be of sufficient quality to support the Mineral Resource estimate. In addition, from time to time, the Company carries out its own internal data audits.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	The Camelwood deposit is located on the eastern boundary of Exploration and Prospecting Licenses E53/1318, P53/1496 and extends into E53/1716. Musket and Cannonball deposits are both located within E53/1318. The regional exploration was undertaken on various tenements with the tenement schedule detailed in the report. All of the tenements are currently 100% owned by Rox Resources Limited. Upon the transfer of the tenements from Rox Resources to Cannon being completed, Cannon will hold mineral rights for all minerals within the tenements excluding E53/1218 where Rox Resources will retain the gold rights and Cannon will have rights to all other minerals pursuant to a split commodity agreement between Rox Resources and Cannon.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.	The tenements are all in good standing and no known impediments exist.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Only incidental and immaterial exploration by other parties was undertaken in the Fisher East area prior to the exploration by Rox.

Criteria	JORC Code explanation	Commentary
Geology	Deposit type, geological setting, and style of mineralisation.	The Fisher East nickel sulphide mineralisation occurs within an Archaean komatiite system, bounded by basaltic rocks and felsic metasediments. Nickel sulphide mineralisation is mostly situated on the ultramafic - felsic contact. The rocks associated with the mineralisation are strongly talc-carbonate altered. The deposit is analogous to Kambalda style nickel sulphide deposits. At Camelwood the mineralisation contains minor conformable intrusions of barren diorite.
Drill hole Information	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length.	Drill hole collar coordinates, azimuths and dips are listed in the appendices to this report Drill hole intersections are tabulated in the appendices to this report.
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g., cutting of high grades) and cut-off grades are usually Material and should be stated.	All reported assay intervals have been length weighted. No top cuts have been applied. A lower cut-off of 1% is generally applied with up to 2m of internal dilution allowed, except where early exploration holes at a new prospect are reported based on their geological significance. See Notes to Table/s. The interval reported were based on lithological logging of the drill core (see immediately below).
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	Geological logging of RC samples and diamond drill core recognised three layers of sulphide within the deposits: highest grade mineralisation: massive and semi-massive sulphide. higher grade mineralisation: matrix and minor disseminated sulphide; and lower grade mineralisation: sparse disseminated sulphide. The highest grade mineralisation tends to occur at the original base of the higher grade mineralisation which, in turn, tends to occur at the original base of the lower grade mineralisation. The boundaries interpreted between these layers of mineralisation were used because: the boundaries were evident visually to the geologists; this was particularly true for the boundary around massive/semi-massive sulphide. in practice, the grade intervals coincided well with the lithology logging. statistical analysis supported their use. if the boundaries were not to be applied, grades from the highest grade zone would smear out into the higher grade and lower grade zones with unwanted consequences for resource estimation and mine planning. Use of these boundaries meant that aggregate intercepts did not incorporate short lengths of high grade results and longer lengths of low grade results.

Criteria	JORC Code explanation	Commentary
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent values have been used or reported.
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g., 'down hole length, true width not known').	The deposits are east dipping (see *Orientation of data in relation to geological structure* above). Drill hole were planned with azimuths of 270^0 and dips between -50^0 and -78^0 degrees to the west. Given the angle of the drill holes and the dips of the host rocks and mineralisation, reported lengths of down hole intercepts will greater than true widths.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	Typical cross-sections through Camelwood Cannonball and Musket are shown in the body of the report. Drill hole intersections are listed in Appendix A.
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	All results are reported – in the appendices of this report
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	All core samples were measured for bulk density using the water displacement method. Multi-element assaying on all samples was carried out for a suite of potentially deleterious elements such as arsenic and magnesium. Geotechnical data was collected from all diamond drill holes including recovery and RQD. Structural information was recorded; structure type, thickness, lithology, and alpha/beta angles (dip and dip direction). Based on comminution and flotation test work of samples from the key Fisher East deposits, a processing flowsheet has been proposed consisting of three-stage crushing, grinding, flotation, concentrate handling and tailings disposal. Metallurgical recoveries from the test work included 97 to 100% recovery into 12% Ni concentrate from massive sulphide material and 74 to 81% recovery into 12% Ni concentrate from disseminated sulphide.

Criteria	JORC Code explanation	Commentary
Further work	The nature and scale of planned further work (e.g., tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive	Numerous down-dip targets are located at depth especially beneath the Camelwood deposit and to the north of Musket where a significant down-hole electromagnetic conductor is present. Likely extensions to both of these deposits are possible. However, the depth of these targets makes exploration very expensive and it is unknown when this drilling will occur.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
Database integrity	Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.	Rox geologists used data templates with lookup tables and fixed formatting for recording logging and sampling data. Data transfer was via email with a copy sent to both the Company and the external database consultant. Sample numbers are unique and pre-numbered bags were used to minimise any potential errors.
	Data validation procedures used.	Data validation checks are run by Geobase, and they maintain a "master copy" of the database. The Company uses working copies which are provided by Geobase on a regular basis. Upon receipt of and during the work for this resource estimate, Mining One made checks on the database, including checking that: drill holes plotted within the geographical limits of the Fisher East project. down-hole surveys were within the expected range. down-hole azimuths were in the correct range. there was no overlapping assay intervals. there was no overlapping lithology intervals. lithologies as plotted were consistent with Ni and S assays; assays used for grade estimation fell within appropriate mineralisation interpretations. Ni and S assays did not exceed the theoretical maxima for these elements given the mineral species present. These checks revealed no anomalies
Site visits	Comment on any site visits undertaken by the Competent Person and the outcome of those visits.	Mick McKeown, the Competent Person for this Mineral Resource estimate, visited the Fisher East site on 22-24 June 2015, inspected the project area, examined drill core, and observed core logging and sampling. Paul Dunbar visited the Fisher East project as a part of a site visit during the preparation of this report and to report the Exploration Target.

Criteria	JORC Code explanation	Commentary
	If no site visits have been undertaken indicate why this is the case.	Not applicable.
Geological interpretation	Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.	There is a high degree of confidence in the geological models of deposits, based on consistent stratigraphy in drill holes and highly correlatable lithologies and mineralisation boundaries.
	Nature of the data used and of any assumptions made.	Surveying of drill hole collars and drill hole paths, geological logging of RC chips and DD core and assay data were used to create the geological interpretation.
	The effect, if any, of alternative interpretations on Mineral Resource estimation.	There is a high degree of confidence in the geological models of deposits, based on consistent stratigraphy in drill holes and highly correlatable lithologies and mineralisation boundaries.
	The use of geology in guiding and controlling Mineral Resource estimation.	Geological logging of RC samples and diamond drill core recognised three layers of sulphide within the deposits: highest grade mineralisation: massive and semi massive sulphide. higher grade mineralisation: matrix and minor disseminated sulphide; and lower grade mineralisation: sparse disseminated sulphide. The highest grade mineralisation tends to occur at the original base of the higher grade mineralisation which, in turn, tends to occur at the original base of the lower grade mineralisation. The boundaries interpreted between these layers of mineralisation were used because: the boundaries were evident visually to the geologists; this was particularly true for the boundary around massive/semi-massive sulphide. in practice, the grade intervals coincided well with the lithology logging. statistical analysis supported their use. if the boundaries were not to be applied, grades from the highest grade zone would smear out into the higher grade and lower grade zones causing over-estimation of grades.
	The factors affecting continuity both of grade and geology.	The principal factors determining the continuity of "grade and geology" are described in the immediately previous entry in this table.

Criteria	JORC Code explanation	Commentary
Dimensions	The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource	From north to south the deposits are Camelwood, Cannonball and Musket. The three deposits are tabular in shape with thicknesses much less than their strike and dip extents. The deposits occur over a combined strike length of just under 3 kilometres. Camelwood strikes at about 345^{O} and dips at about -60^{O} towards 075^{O}. The strike length of Camelwood is about 1400m and the known down-dip extent ranges from 100m to 500m. Cannonball strikes at about 345^{O} and dips at about -60^{O} towards 075^{O}. The strike length of Cannonball is about 300m and the known down-dip extent ranges from about 80m to 350m. Musket strikes at about 345^{O} and dips at about -65^{O} towards 075^{O} and appears to plunge to the north at about 50^{O}. The strike length of Musket is about 500m and the known down-dip extent ranges from 100m to 450m.
Estimation and modelling techniques	The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.	Nickel and sulphur grades were estimated in the three mineralised zones described above: highest grade mineralisation: massive and semi massive sulphide. higher grade mineralisation: matrix and minor disseminated sulphide; and lower grade mineralisation: sparse disseminated sulphide. At Camelwood and Musket all three zones are present; at Cannonball only the higher grade and lower grade zones are present. The interpretation of the mineralisation did not extend further than 25m along strike beyond the last drilled section. Surpac software was used for the resource estimate. Samples were composited to 1m lengths. Grades were estimated in each zone using only samples from within the zone. No top-cuts were applied because no rogue outlier grades were detected. Grade continuity for Ni and S, as indicated from variography for the higher and lower grade zones, was high in the plane of the mineralisation, ranging from 90m to 230m. Successful variography for Ni and S allowed for Ni and S grade estimation of the higher and lower grade zones using ordinary kriging. For the highest grade zones, the use of ordinary kriging was not possible, and Ni and S grades were attributed to the blocks in these zones based on the average grades of nearest neighbour estimates of these zones. Grade continuity for Ni and S, as indicated from variography for the higher and lower grade zones, was high in the plane of the mineralisation, ranging from 90m to 230m. There is insufficient information and insufficient drilling into the Sabre prospect to allow the estimation of a mineral resource, hence that mineralisation is reported as an Exploration Target.
	The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.	Previous resource estimates were available for Camelwood and Musket. These estimates took appropriate account of the data and processes used to make those estimates.

Criteria	JORC Code explanation	Commentary
	The assumptions made regarding recovery of by-products.	No recovery assumptions have been made regarding the recovery of by-products.
	Estimation of deleterious elements or other non-grade variables of economic significance (e.g., sulphur for acid mine drainage characterisation).	S grades were estimated.
	In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.	Block models were created using a 10m E by 25m N by 5m RL parent block size with sub-celling to 0.625m E by 1.562m N by 0.312m RL to achieve reasonable three dimensional modelling of the mineralisation. Estimation was completed at the parent cell scale. The parent cell size in the north-south direction was about half the nominal cross-section spacing. The size of the search ellipses were set to ensure that Ni and S grades were estimated for all blocks in the model; this required a maximum search distance of 300m. Density was estimated for each block based on the estimated S grade of the block.
	Any assumptions behind modelling of selective mining units.	No selective mining units were assumed in the estimate.
	Any assumptions about correlation between variables.	Strong positive correlation was observed between nickel and density. A regression-based density value was estimated based on estimated Ni grade where density was not present. No noticeable correlation could be determined between other elements. Each element within each domain used the same sample selection routine, but a slightly different search ellipse (based on variogram range) for block grade estimation.
	Description of how the geological interpretation was used to control the resource estimates.	Samples in the drill hole database were flagged according to the zone in which the samples were interpreted. Wireframes representing the three mineralised zones were created and blocks in the block model were flagged according to the zone wireframe in which they were located. Checks were made to ensure that the grades of each zone were estimated using grades of samples from within the appropriate zone.
	Discussion of basis for using or not using grade cutting or capping.	No top-cutting was applied because no rogue outlier grades were detected. All high grade samples were accounted for within highest grade zone of massive and semi-massive sulphide.
	The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.	Validation of the block model tonnages included comparisons of volumes of the zone wireframes and blocks representing the zones in the block model. Validation of grade estimates were made by comparing average global grades made by ordinary kriging with average global grades estimated by a nearest neighbour method, and average global grades based on the averages of composited grades. There was reasonable to excellent agreement among all average global grades. Visual checks of estimated block grades against grades in nearby drill holes did not reveal any anomalies. No mining has taken place and no reconciliation data exists from such a source.

Criteria	JORC Code explanation	Commentary
Moisture	Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.	The tonnages were estimated on a dry basis.
Cut-off parameters	The basis of the adopted cut-off grade(s) or quality parameters applied	A cut-off grade of 1.0% Ni, at a nickel price of AUD$14,000 per tonne implies that material with a contained metal value of about AUD$140 could be treated at a profit, which seems reasonable. This was also the cut-off grade used for previous resource estimates. However, no forecast is made of whether the resource is economic or could be profitably exploited.
Mining factors or assumptions	Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	Underground mining has been assumed as the likely extraction technique however no assumptions regarding the mining methodology have been built into the resource model.
Metallurgical factors or assumptions	The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	Beyond the assumption that nickel could be recovered using traditional treatment methods, no other assumptions regarding the metallurgical recovery have been built into the model. Based on comminution and flotation test work of samples from the key Fisher East deposits, a processing flowsheet has been proposed by Strategic Metallurgy consisting of three-stage crushing, grinding, flotation, concentrate handling and tailings disposal. Metallurgical recoveries from the test work included 97 to 100% recovery into 12% Ni concentrate from massive sulphide material and 74 to 81% recovery into 12% Ni concentrate from disseminated sulphide.

Criteria	JORC Code explanation	Commentary
Environmental factors or assumptions	Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made	Beyond the assumption that tailings could be disposed of in a tailings dam, no other assumptions have been made regarding waste or process residue disposal. Based on comminution and flotation test work of samples from the key Fisher East deposits, a processing flowsheet has been proposed by Strategic Metallurgy consisting of three-stage crushing grinding, flotation, concentrate handling and tailings disposal. A Level 1 vegetation and fauna assessment, an assessment of fauna habitat, and opportunistic fauna sightings were made by Outback Ecology. No threatened species were identified. Based on the analysis of habitat requirements and locations of previous records, it was considered that three Priority Flora species may occur in the Study Area. However, no vegetation communities were identified that are analogous to any Threatened Ecological Community or Priority Ecological Community nor any that were considered locally or regionally significant.
Bulk density	Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size, and representativeness of the samples.	The sulphide content of the mineralisation determines the density of the mineralisation. Densities and S grades have been determined for drill core samples in the three deposits using: 1,284 samples for Camelwood, 79 samples for Cannonball, and 44 samples for Musket. Bulk density was determined for diamond drill core samples using the water displacement method. Graphs of density against % S for each deposit exhibit linear correlations with high correlation coefficients. Equations for calculating density from S grade were based on the results of the graphs for each deposit. Bulk densities in the mineralisation ranged from 2.8 to about 4.5 tonnes per cubic metre.
	The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit,	The water displacement method adequately accounts for void spaces in the rock. Since the diamond drill core samples are fresh rock there are no moisture issues.
	Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	See above.

Criteria	JORC Code explanation	Commentary
Classification	The basis for the classification of the Mineral Resources into varying confidence categories	Classification of the Mineral Resources was based on the geological continuity of the mineralisation. For parts of the deposits, where drilling intensity was adequate to define the zone shapes and extents reasonably and reliably those parts were classified as Indicated Mineral Resources: this was where the general drilling pattern was at a nominal 50m X 50m spacing. Beyond the Indicated Mineral Resource, the resource was classified as Inferred. Inferred Mineral Resource estimates should particularly be viewed as approximate, given that it is the lowest level of confidence of the three categories of Mineral Resource.
	Whether appropriate account has been taken of all relevant factors (i.e., relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity, and distribution of the data).	Validation of the block model shows acceptable correlation of the input data to the estimated grades. The input data is comprehensive, and no biases are believed to have been introduced. The geological model has a high degree of continuity and confidence. Infill drilling has confirmed this continuity.
	Whether the result appropriately reflects the Competent Person's view of the deposit.	The Mineral Resource estimate appropriately reflects the view of the Competent Persons.
Audits or reviews	The results of any audits or reviews of Mineral Resource estimates.	Satisfactory reviews of the resource estimates for this report were made by the competent persons and Rox personnel.
Discussion of relative accuracy/ confidence	Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate	The relative accuracy of the Mineral Resource estimate is reflected in the reporting of the Mineral Resource as per the guidelines of the JORC Code (2012 Edition). The block models and resource estimates are suitable for planning and scheduling of medium to long-term production over periods such as yearly or quarterly. The block model is not suitable for selection of blocks at the time of mining – block selection at the time of mining will require more sampling during a grade control program. There is a high degree of uncertainty in the Exploration Target estimated for the Sabre prospect, significant additional work is required including additional drilling. It is uncertain if the additional drilling would allow a resource to be estimated for the Sabre mineralisation.

Criteria	JORC Code explanation	Commentary
	The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used	The statement of the Mineral Resource estimates for Camelwood, Cannonball and Musket all relate to global estimates of tonnes and grade.
	These statements of relative accuracy and confidence of the estimate should be compared with production data, where available	No production data is available.

JORC Table 1 for Collurabbie Project

The references to third parties other than Rox Resources Ltd have been included without consent throughout this table.

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g., cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g., 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30g charge for fire assay'). In other cases, more explanation may be required, such*	• *Reverse Circulation (RC) drilling was sampled in one metre intervals. The majority of these samples were split immediately by a riffle splitter attached to the base of the cyclone, resulting in a large reference sample and a smaller sample (~3kg) for assaying.* • *Diamond drilling (DD) was generally sampled on a metre-basis, but sample intervals were decided by logged lithological contacts.* • *Diamond core is dominantly NQ2 size, sampled on geological intervals, with a minimum of 0.1m up to a maximum of 4.2m. NQ2 core is cut into half.* • *All RC & DD intervals were geologically logged by a suitably qualified geologist and mineralized intersections dispatched to the ALS Global laboratory in Perth, Western Australia for processing.*

Criteria	JORC Code explanation	Commentary
	as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g., submarine nodules) may warrant disclosure of detailed information.	
Drilling techniques	• *Drill type (e.g., core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g., core diameter, triple or standard tube, depth of diamond tails, face-sampling bit, or other type, whether core is oriented and if so, by what method, etc.).*	• *Reverse Circulation, Air Core and Diamond Drilling were completed and used in the Mineral Resource estimation.* • *RC drilling was undertaken with 5" and 5 ½" face sampling bits (resulting in a minimum drill-hole diameter of 5").* • *Diamond drilling was predominately NQ2 core size, with mud-rotary or RC pre-collars and HQ upper hole portions.* • *The majority of intervals of the mineralised diamond drill-holes were orientated using a Reflex ACT orientation tool and some core was marked with the spear orientation method.*
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• *RC drilling recovery wasn't recorded, however was generally good.* • *For some DD programs, the sample recovery was measured and recorded for each core run, and down-hole depths were validated against core blocks and drillers sheets. Recovery was generally very good. Some core loss was recorded in the weathered zones and in fault zones.* • *No twin hole comparison of RC and DD drilling was completed.* • *There does not appear to be any relationship between sample recovery and grade.*
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • *The total length and percentage of the relevant intersections logged.*	• *All drill-holes were geologically logged in full by the relevant company geologists at the time of each drilling program.* • *All data were initially captured on pre-formatted Excel tables and subsequently loaded into the project specific drill-hole database by the database administrator.* • *The logging and reporting of the preliminary logs was qualitative.* • *All logs were checked and validated by an external geologist as part of the current database. Logging is of sufficient quality for current studies.*
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, the nature, quality, and*	• *Drill core was cut in half on site using a core saw. All samples were collected from the same side of the core, preserving the orientation mark in the kept core half.* • *RC samples were collected on the drill rig using a cone splitter. If any mineralised samples were collected wet these were noted in the drill logs and database. The vast majority of the samples were dry.* • *The sample preparation followed industry best practice. This involved oven drying, coarse crushing of diamond core to ~10mm, followed by pulverisation of the entire sample in an LM5 or equivalent pulverising mill to a grind size of*

Criteria	JORC Code explanation	Commentary
	appropriateness of the sample preparation technique. • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	*85% passing 75 microns.* • *Field QC procedures involve the use of Certified Reference Materials (CRM's) as assay standards, along with duplicates and barren waste samples. The insertion rate of these was approximately 1:20.* • *No diamond core field duplicates were taken. For RC drilling field duplicates were taken on a routine basis at an approximate 1:40 ratio using the same sampling techniques (i.e., cone splitter) and inserted into the sample run.* • *All sampling was carefully supervised.* • *All RC intervals were geologically logged and mineralized intersects dispatched to ALS Global in Perth for sample preparation and subsequent assaying of pulps.* • *Individual samples were accommodated and sealed in clearly labelled plastic bags (RC samples) and calico sample bags (DD samples) for transport.* • *The sample sizes are considered more than adequate to ensure that there are no particle size effects relating to the grain size of the mineralisation which lies in the percentage range.*
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g., standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e., lack of bias) and precision have been established.*	• *The analytical techniques involved.* *- Four-acid digest followed by multi-element ICP/OES analysis. The four-acid digest involves hydrofluoric, nitric, perchloric and hydrochloric acids and is considered a "complete" digest for most material types, except certain chromite minerals.* *- Fire Assay with a mass spectrometer finish for Au-Pt-Pd.* • *No geophysical or portable analysis tools were used to determine assay values stored in the database.* • *Internal laboratory control procedures involve duplicate assaying of randomly selected assay pulps as well as internal laboratory standards.* • *Due to the systematic, robust, and intensive nature of quality control procedures adopted, the authors are confident that the assay results are accurate and precise and that no bias has been introduced.*
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	• *Senior technical personnel from the Rox (Managing Director and Exploration Manager) have visually inspected and verified the majority of significant drill core intersections.* • *All procedures were considered industry standard, well supervised, and well carried out.* • *There were no pairs of twinned holes completed to compare the different drilling methods undertaken at the project.* • *All data were initially captured on pre-formatted Excel tables and subsequently loaded into the project specific drill-hole database by the database administrator. All original data were kept. Routine checks were performed regularly*

Criteria	JORC Code explanation	Commentary
	• *Discuss any adjustment to assay data.*	*on the data.* • *Assay data were provided in digital format by the laboratory and imported directly into the project-specific database. Routine checks were made against the laboratory certificates.*
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• *Drill hole locations have been established using a field Differential GPS unit* • *The grid system is MGA_GDA94, zone 51 for easting, northing and RL.* • *The topographic surface was generated from surveyed drill collar positions and also digital terrain models generated from low level airborne geophysical surveys.* • *All diamond drill holes were surveyed at 30m intervals down hole using an Eastman single shot survey system.* • *The topographic control is considered to be adequate for current studies.*
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• *The drill hole spacing along section lines is variable however the central part of the Resource has been drilled to an approximate 40m by 50m drill pattern. The deeper zones (up to 550-600m vertical) and southern and northern extents have been drilled to lesser depths at a spacing up to 300m. The data spacing and distribution for the modelled zone is considered appropriate for the Mineral Resource estimation procedures and classifications applied.* • *The mineralisation and geology show continuity sufficient to support the definition of a Mineral Resource and the classifications contained in the JORC code (2012 edition)* • *For diamond drilling no sample compositing has been undertaken. Sample intervals are based on geological boundaries with even one metre samples in between.* • *For RC drilling, sample compositing occurred over 4 metre intervals for non-mineralised material, but all mineralised intervals were sampled at a one metre interval.*
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• *The mineralisation strikes at NNW and is steeply dipping to the west. The drill orientation was planned at 090 degrees. Drilling is essentially perpendicular to strike. This is confirmed in structural logging of mineralised zones.* • *Drill-holes were oriented to intersect the lithology/mineralisation at as close as possible to right angles, and as such no material sampling bias has been introduced.*
Sample security	• *The measures taken to ensure sample security.*	• *After preparation in the field samples are packed into polyweave bags and despatched to the laboratory.* • *The assay laboratory audits the samples on arrival and reports any discrepancies back to the Company. No such discrepancies occurred.*

Criteria	JORC Code explanation	Commentary
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• *The Competent Persons for this Mineral Resource estimate have not conducted any review of the sampling techniques used by previous owners of the project.*

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• *The known mineralisation and its immediate extensions are covered by active exploration leases E38/2009 and E38/2912, which have a total area of 63.1 square kilometres. In addition, adjacent tenement areas covering a further 59 square kilometres have been applied for. The tenure is 100% owned by Rox Resources Ltd. There are no known material issues with third parties, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The Company is not aware of any impediments relating to the licences or area.*
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• *Early exploration in the region included various stages of gold and diamond exploration, along with minor work (ground magnetics, auger, and soil sampling) on the Gerry Well Greenstone Belt. Minor base metal exploration occurred to the north within the Nabberu Basin.* • *BHP completed 49 RAB holes for 1,311 metres in 1989 exploring for gold.* • *MIM completed 46 RAB holes for 2,108 metres in 1995, also focusing on gold.* • *Between 1996 – 1999 North Ltd completed several gold exploration programs including detailed aeromagnetics, dipole-dipole induced polarisation, soil-sampling (166 samples) and auger drilling (25 drill-holes for 42.5m), AC drilling (10 drill-holes for 202m), RC drilling (546 drill-holes for 49,858m) and diamond drilling (6 drill-holes for 587.5m).* • *In 2004 – 2006 WMC/BHPB completed AC drilling (230 drill-holes for 15,728m), RC drilling (79 drill-holes for 9,812.3m) and diamond drilling (91 drill-holes for 31,213m).* • *More recently, Falcon Minerals Ltd, formerly a JV-partner with WMC/BHPB on the project, solely completed 25 diamond (and mud/diamond) drill-holes for 7,525.25m, as well as some down-hole EM surveys.*
Geology	• *Deposit type, geological setting, and style of mineralisation.*	• *The project area is situated in an Archaean terrain metamorphosed to upper greenschist/lower amphibolite facies and comprises a N-NNW striking greenstone sequence flanked by large granitoid (dominantly monzogranite) batholiths. The greenstone sequence comprises felsic, mafic, ultramafic, and sedimentary units. The Archaean sequence is exposed at surface but becomes progressively buried by the onlapping Proterozoic sediments of the*

Criteria	JORC Code explanation	Commentary
		Earaheedy Basin to the north. Several Proterozoic diorite dykes transect the area with a broadly E-W orientation. Up to four phases of deformation, with principal strike directions NNW, NW, and NE, have been previously identified.

Drill hole Information	• *A summary of all information material to the understanding of the Exploration Results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• *All drill-hole coordinates and orientations material to the Mineral Resource estimation have been previously reported, refer to FCN's ASX announcements on the Collurabbie Project between 2004 and 2011. The information relevant to the Olympia Deposit is presented in the Collurabbie Significant Drill Intercepts table in the appendix to this report.*

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g., cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• *Drilling results have been reported using weighted averages with a 1% Ni lower cut-off grade and ≤1m internal waste (<1% Ni). Results have been rounded to 2 decimal places where necessary.* • *All reported assay intervals have been length weighted. No top cuts have been applied. A lower cut-off of 1% Ni is generally applied with up to 1m of internal dilution allowed. See Notes to Table/s.* • *All samples were predominantly 1m or 2m intervals but varied between 0.1m and 4.2m, depending on the interpreted geological contacts.* • *High grade massive or semi-massive sulphide intervals internal to broader zones of mineralisation are reported as included intervals. in the significant intersection tables included in the appendix of this report* • *No metal equivalent values have been reported.*

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g., 'down hole length, true width not known').*	• *The drilling is at right angles (or as close as possible) to the orientation of the mineralisation.* • *All intercepts are reported as down-hole lengths.* • *Given the angle of the drill holes and the interpreted dip of the host rocks and mineralisation (see Figures in the text), reported intercepts will be more than true width.*
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to, a plan view of drill hole collar locations and appropriate sectional views.*	• *Plan maps of drill-hole collar locations and appropriate sectional views have been included in this report.*
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced avoiding misleading reporting of Exploration Results.*	• *All sampled intervals have been provided in the Significant Drill Intercept table in the appendix of this report.*
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• *Exploration work completed by previous owners of the project was announced to the ASX by those companies (e.g. FCN's ASX announcements on the Collurabbie Project between 2004 and 2011).* • *Multi element assaying on all samples was carried out for a suite of potentially deleterious elements such as Arsenic and Magnesium.*
Further work	• *The nature and scale of planned further work (e.g., tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• *Further exploration drilling is justified to locate extensions to mineralisation both at depth and along strike. Additionally, regional aircore drilling is planned to locate new areas of mineralisation.*

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used*	• *The drill-hole data were received as an Access database which was then connected to Surpac software for grade estimation. Basic checks were completed on the database. Rox subsequently compiled the data as Excel spreadsheets, and then imported it into a relational SQL Server database (industry standard drill-hole database management software) by a 3rd party independent database administrator.* • *Maps, satellite imagery and other geological/geochemical surface data were also supplied for use.* • *The data were audited, and any discrepancies checked by RXL personnel before being updated in the database.* • *Normal data validation checks were completed on import to the SQL database and when viewing in Leapfrog™ software and Geovia Surpac™ (industry standard resource modelling and estimation software).* • *The database extract was supplied for use for resource estimation as a Microsoft Access database.*
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.*	• *Will Belbin (Competent Person) visited the site in November 2016 as Exploration Manager of Rox Resources and checked the locations of drill-holes. An inspection of mineralised drill core was conducted at the core shed in Laverton. A review of documented drilling and sampling procedures were considered industry standard, well conducted, and supervised.*
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• *The confidence in the geological interpretation is considered adequate for the purposes of reporting Inferred Resources. Nickel mineralisation is located within the ultramafic sequence of the greenstone belt, with the higher grades comprising matrix ± massive Ni-sulphide mineralisation within the basal peridotite. These units have been transgressed from SW to NW by a low-angle felsic porphyry; the limited interaction between the units suggest the intrusion has inflated the ultramafic sequence rather than stoping it out.* • *The geological model consists of an oxidation surface and mineralisation constraints which were applied as estimation domains. The different lithologies and major structures (faults) were also modelled as interpreted; these geological controls have been considered when generating the mineralisation constraints.* • *The geological interpretation is supported by geological mapping, channel sampling and drill-hole logging, and mineralogical studies completed on all drilling programs, plus geophysical survey data (aeromagnetic).* • *The average depth of oxidation is approximately 60m.* • *No alternative interpretations have been considered at this stage.* • *Logged sulphide-rich zones correlate well with higher nickel assay grades.* • *The nickel-mineralised system is known to be continuous in strike length for several kilometres. Main factors affecting continuity of grade appear to be structures, spatial location of the host lithologies and the later felsic intrusion.*

Criteria	JORC Code explanation	Commentary
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• *The modelled mineralised zone has dimensions of 600m (surface trace striking 350) of varying thickness between 5m and 20m and ranging between 0m and 500m RL (AMSL).*
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (e.g., sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.*	• *Grade estimation for nickel (%Ni) using Ordinary Kriging (OK) and Inverse Distance Squared (ID^2 – for comparison) was completed by Lauritz Barnes using a combination of Geovia Surpac™ and Leapfrog™ software.* • *The mineralised zone has been drilled to 550-600 vertical metres on a variable drill pattern of 40m x 40m in the modelled zone up to 300m on the mineralised depth and strike extents.* • *Drill-hole samples were flagged with wireframed domain codes. Sample data were composited to 1m for %Ni using a best fit method with a minimum of 100% of the required interval to make a composite.* • *The grade estimate is constrained by a mineralisation zone defined using a nominal 0.5% Ni envelope.* • *Influences of extreme sample distribution outliers were analysed for potential top-cutting on a domain basis. Top-cuts were decided by using a combination of methods including grade histograms, log probability plots and statistical tools. Based on this statistical analysis of the data population, top-cuts were not required.* • *Variography has been carried out on the nickel composites and is characterised by low to moderate nugget effect (approximately 20% of the total variogram variance) and ranges to a maximum along-strike distance of 110m.* • *Block model was constructed with parent blocks of 4m (E) by 10m (N) by 10m (RL) and sub-blocked to 0.5m (E) by 1.25m (N) by 1.25m (RL).* • *Ordinary kriging (OK) was used to estimate the block grades within the mineralisation envelope to represent a selective mining unit 0.5m (E) by 1.25m (N) by 1.25m (RL). Inverse squared distance (ID^2) was also used to estimate the nickel mineralisation as a validation check of the OK model.* • *Search ellipse sizes were based primarily on a combination of the variography and the trends of the wireframed mineralised zones. Hard boundaries were applied.* • *Three estimation passes were used. The first pass had a limit of 75m, the second pass 150m and the third pass 5,000m. All three passes used a maximum of 8 composites, a minimum of 5 composites and a maximum per drill-hole of 2 composites.* • *Validation of the block model included a volumetric comparison of the resource wireframes to the block model volumes. Validation of the grade estimate included comparison of block model grades to the input composite grades plus swath plot comparison by easting, northing and elevation. Visual comparisons of input composite grades vs. block model grades were also completed.* • *There haven't been any previous resource estimations for this deposit.*

Criteria	JORC Code explanation	Commentary
	• *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content*	• *Tonnes have been estimated on a dry basis.*
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• *Continuity of the mineralisation was analysed at different grade cut-offs between 0.2% Ni and 1.0% Ni. The potentially economic 0.5% Ni interpretation is focused on maintaining zone continuity and includes some sub-grade material.* • *The limited material from within the modelled oxide/transition zone has been included in the reported Mineral Resource estimate. To-date there hasn't been any metallurgical test work that would indicate nickel recoveries different to that of the fresh material. However, this requires investigation and test work.*
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• *Based on the orientations, thicknesses, and depths to which the nickel mineralisation has been modelled, as well as the estimated nickel grades, the potential mining method is considered to be underground mining.*

Criteria	JORC Code explanation	Commentary
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• *There hasn't been any systematic metallurgical test work carried out for this deposit. It is assumed that nickel recoveries would be similar to those in other ultramafic-hosted nickel deposits in Western Australia.*
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• *No assumptions have been made regarding waste or process residue disposal. No issues are anticipated from an environmental perspective in the exploitation of a Mineral Resource. Further investigation will be addressed in the next level of study.*
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size, and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• *A large bulk density dataset has been generated by WMC and FCN using the Hydrostatic Weighing method.* • *In total, 1,981 bulk density measurements are present for the greater project area / mineralised system, with 1,029 of these from the Olympia target area.* • *Bulk density measurements have been acquired for the both the mineralised and waste domains allowing accurate tonnages to be determined for all material types. Samples from within the oxide zone have been analysed separately from the fresh rock.* • *Bulk densities were assigned to the mineralised zone from 51 samples specifically from the modelled and reported mineralised zone via a regression calculation based on the nickel grade after statistical analysis of the relationship and calculated as = (%Ni x 0.5454) + 2.6229 t/m^3.*
Classification	• *The basis for the classification of the Mineral Resources*	• *The Mineral Resource has been classified on the basis of confidence in the geological model, continuity of*

Criteria	JORC Code explanation	Commentary
	into varying confidence categories. • *Whether appropriate account has been taken of all relevant factors (i.e., relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity, and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	*mineralised zones, drilling density, confidence in the underlying database and the available bulk density information.* • *All factors considered; the resource estimate has been assigned entirely to the Inferred Resources category.* Inferred Mineral Resource estimates should particularly be viewed as approximate, given that it is the lowest level of confidence of the three categories of Mineral Resource.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• *Mr. Barnes is considered independent of Rox Resources.* • *No other audits or reviews of the Mineral Resources estimate have been undertaken.*
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• *The relative accuracy of the Mineral Resource estimate is reflected in the reporting of the Mineral Resource as per the guidelines of the 2012 JORC Code.* • *The statement relates to global estimates of tonnes and grade.*

Schedule 9

Solicitor's Report on Tenements

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24 May 2021

The Directors
Cannon Resources Limited
Level 2, 87 Colin Street
West Perth WA 6005

Dear Directors

Solicitor's Report on Tenements

This report is prepared for inclusion in a prospectus dated on or around 26 May 2021 for the proposed listing on the Australian Securities Exchange (**ASX**) by Cannon Resources Limited ACN 646 149 902 (**Cannon**), which includes a pro-rata priority offer to eligible Rox Resources Limited ACN 107 202 602 (**Rox**) shareholders of up to 30,000,000 shares at an issue price of A$0.20 each, together with one free attaching option for every three shares issued to raise A$6,000,000 (before costs) and an associated shortfall offer (**Prospectus**).

1 Scope

We have been requested to provide a report (**Report**) on the following mining tenements in which Cannon has an interest comprising the:

(a) Fisher East Project, consisting of Exploration Licences 53/1218, 53/1318, 53/1716, 53/1802, 53/1884, 53/1885, 53/1886, 53/1887, 53/1950, 53/2018, 53/2090; and

(b) Collurabbie Project (together with the Fisher East Project, the **Projects**), consisting of Exploration Licences 38/2009, 38/2912 and 38/3193,

(collectively, the **Tenements**) granted under the *Mining Act 1978* (WA) (**Mining Act**) in Western Australia listed in Schedule 1.

The Report can be reproduced by Rox in its notice of meeting dated on or around 26 May 2021 (**Notice of Meeting**).

This Report is limited to the Searches (as defined below) set out in Section 2 of this Report.

Unless stated otherwise, a reference to a Tenement in this report is a reference to a Tenement held by Rox as further detailed in Schedule 1 (**Tenement Schedule**).

2 Searches

We have undertaken the following legal due diligence enquiries and reviewed:

(a) searches of the Tenements obtained through the Mining Tenement Register maintained by the Department of Mines, Industry Regulation and Safety (**DMIRS**) pursuant to the Mining Act as at 21 May 2021;

(b) quick appraisal searches of Tengraph of the Tenements obtained online from DMIRS (**Quick Appraisals**) as at 21 May 2021;

(c) Aboriginal heritage searches of registered sites as at 21 May 2021; and

(d) we have reviewed all material agreements relating to the Tenements provided to us or registered as dealings against the Tenements as at the date of the Tenement Searches and have summarised the material terms as set out in Section 9 of this Report),

(together the **Searches**).

On the basis of the Searches, we consider that this Report provides an accurate statement as to the status of the Tenements as at 21 May 2021.

3 Opinion

As a result of the Searches, subject to our exclusions, assumptions and qualifications set out in this Report (including in paragraph 10), we are satisfied that as at the date of the Searches:

(a) the details of the Tenements referred to in the Tenement Schedule are accurate as to the status and registered holder of the Tenements;

(b) unless otherwise specified in this Report, the Tenements are valid, in good standing, and all applicable rents have been paid;

(c) there are certain encumbrances or dealings registered against a number of the Tenements; and

(d) none of the Tenements are subject to any unusual conditions of a material nature other than as disclosed in the Tenement Schedule.

4 Executive Summary

4.1 Ownership

As set out in the Tenement Schedule, in accordance with the Searches, Rox currently holds 100% of the title and interest in each of the Tenements.

Pursuant to the demerger agreement between Rox and Cannon dated 13 May 2021 (**Demerger Agreement**), Rox is transferring to Cannon a 100% interest in each of the Tenements. The Demerger Agreement is summarised at section 9 of the Prospectus.

4.2 Third party interests in Tenements

Except for those set out in paragraph 9, we are not aware of any contracts, which relate to any third party interests in the Tenements.

Apart from:

(a) E53/1318, in respect of which there is one registered caveat outlined in paragraph 4.5; and

(b) E38/2009, in respect of which there are two registered caveats outlined in paragraph 4.5;

the Searches of the Tenements do not reveal any indicators of third party interests in the Tenements.

4.3 Rent

All of the rental payments which are due for the current tenement year for each Tenement have been paid in full. Please refer to the Tenement Schedule for the rent payable in respect each Tenement.

4.4 Expenditure

(a) In respect of the 2021 expenditure year:

(i) Form 5 Operations (expenditure) Reports (**Form 5 Report**) for E38/2009, E38/2912, E38/3193, E53/1318, E53/1802, E53/1885, E53/1886, E53/1887 and E53/2018 are not yet due (these will be due within 60 days from the anniversary of the grant of the tenement - see the Tenement Schedule for the anniversary dates);

(ii) E53/1716's Form 5 Report is due 2 June 2021;

(iii) E53/2090 was granted in June 2020, so a Form 5 Report will not become due until after the tenement's first anniversary of grant; and

(iv) The Form 5 Reports for the balance of the Tenements recently due have been lodged (E53/1218, E53/1950 and E53/1884).

(b) In respect of the 2020 expenditure year the expenditure commitment on the Tenements was met, apart from:

(i) E53/1318 which was under-expended year end 20 September 2020 with an exemption granted on 5 February 2021;

(ii) E53/1885 which was under-expended year end 30 October 2020 with an exemption granted on 4 February 2021;

(iii) E53/1886 which was under-expended year end 30 October 2020 with an exemption granted on 4 February 2021;

(iv) E53/1887 which was under-expended year end 23 May 2020 with an exemption granted on 28 August 2020;

(v) E53/2018 which was under-expended year end 16 September 2020 with an exemption granted on 14 January 2021;

(vi) E38/2009 which was under-expended year end 19 October 2020 with an exemption granted on 2 February 2021;

(vii) E38/3193 which was under-expended year end 27 July 2020 with an exemption granted on 6 November 2020; and

(viii) E38/2912 which was under-expended year end 11 September 2020 with an exemption applied for on 9 November 2020 which was refused on 19 May 2021. It is anticipated that DMIRS will seek forfeiture of E38/2912 pending submissions from Rox. We understand that Rox intends to make submissions requesting a penalty for failure to expend rather than forfeiture.

(c) The expenditure requirements and status for each of the Tenements is outlined in more detail in the Tenement Schedule.

4.5 **Registered Dealings and Encumbrances**

To the extent revealed in the Searches, there are no current mortgages, caveats or other encumbrances registered or recorded against the Tenements other than:

(a) Caveat 390296 – absolute caveat registered by Rio Tinto Exploration Pty Limited on 27 January 2012 and recorded against E53/1318. Caveat 390296 relates to the Rio Tinto Royalty. See paragraph 9.7 of the Prospectus for further details of the Rio Tinto Royalty;

(b) Caveat 513918 – absolute caveat registered by RG Royalties, LLC on 5 September 2017 and recorded against E53/1318. Caveat 513918 relates to the Delta Royalty. See paragraph 9.7 of the Prospectus for further details of the Delta Royalty; and

(c) Consent caveat 349029 was registered against E38/2009 on 14 June 2010 by BHP Billiton Nickel West Pty Ltd in respect to certain offtake rights under the Collurabbie Agreement. See Section 9.7 of the Prospectus for further details.

4.6 **Term of Tenements**

The Tenement Schedule sets out the expiry dates of the Tenements. In particular, we note that:

(a) E53/1318, E53/1885 and E53/1886 are due to expire in 2021;

(b) E38/2009, E38/3193, E53/1884, E53/1887 and E53/1950 are due to expire in 2022;

(c) E53/1218 and E53/1716 are due to expire in 2023;

(d) E38/2912, E53/1802 and E53/2018 are due to expire in 2024; and

(e) E53/2090 is due to expire in 2025.

4.7 **Conditions and programmes of work**

The Tenements are subject to the standard conditions and endorsements imposed by DMIRS. Non-standard conditions (i.e. those not listed in the DMIRS standard conditions and endorsements list, if applicable) are set out in the Tenement Schedule. Except to the extent set out in paragraph 4.4(b)(viii) of this Report, the Tenement Schedule and the information contained in the Searches, the Tenement Searches do not disclose any current breaches of the Tenement conditions (standard or non-standard).

4.8 **Overlapping Tenements**

The Quick Appraisals show that there are no third party tenements which overlap the Tenements.

4.9 **Land access**

The Tenements are subject to the standard conditions and endorsements imposed by DMIRS and any non-standard conditions are set out in the Tenement Schedule, which include conditions preventing access to, or the commencement of activities on, certain areas without the consent of the Minister, restrictions on activities in relation to reserves including water reserves, conservation of flora and fauna reserves and mining reserves, amongst others.

4.10 **Pastoral Leases**

Section 6 sets out the limitations on exploration and mining on pastoral leases. The Tenements overlap various pastoral leases in part as set out in the table below.

	Tenements	**Pastoral Leases**
1.	E53/1218, E53/1318, E53/1716, E53/1884, E53/1885, E53/1886, E53/2018, E53/2090	Pastoral Lease (C) Wonganoo PL N050007
2.	E53/1318, E53/1884	Pastoral Lease (C) Yelma OK N049504
3.	E38/2009, E38/3193	General Purpose (P) GE L336937

Various Tenements which overlap pastoral leases are subject to standard conditions that require the notification of the pastoral lessee prior to undertaking any airborne surveys or ground disturbing activities. It is also a condition that the tenement holder must notify the pastoral lessee of any transfer of these Tenements.

We have not been provided with any pastoral access agreements relating to the Tenements. There may be none particularly if any exploration works have been conducted more than 100 metres from any area under cultivation or more than 400 metres from any dam or the like made and used by the lessee.

4.11 **Native title**

Native Title Overlaps

The Quick Appraisals carried out on 21 May 2021 indicate that there is one registered native title claim and two determinations of native title, overlapping various Tenements:

(a) Kultju Native Title Claim WC2018/007;

(b) Kultju Determination WCD2019/012; and

(c) Wiluna People Determination WCD2013/004.

Kultju

The Quick Appraisals carried out on 21 May 2021 indicate that the Kultju Native Title Claim and the Kultju Determination overlap each other and several of the Tenements to the following extent:

(a) 100% of E53/1885;

(b) 100% of E53/1886;

(c) 100% of E53/2018;

(d) 84.8% of E53/1218;

(e) 67.16% of E53/1318;

(f) 51.39% of E53/2090;

(g) 34.59% of E53/1884; and

(h) 17.7% of E53/1716.

The Kultju Determination recognised that the Kultju Group hold non-exclusive native title rights and interests over the determination area. No native title rights and interests were found in relation to minerals, petroleum or geothermal energy.

Wiluna People

The Quick Appraisals carried out on 21 May 2021 indicate that the Wiluna People Determination overlaps several of the Tenements to the following extent:

(a) 65.41% of E53/1884; and

(b) 9.33% of E53/1318.

The Wiluna People Determination recognised that the Wiluna People hold non-exclusive native title rights and interests over the determination area. No native title rights and interests were found in relation to minerals, petroleum or geothermal energy.

Native Title Status

The native title status of the Tenements is outlined below:

(i) E53/1318 has been cleared of native title.

(ii) Cleared – Expedited Procedure applies: E53/1218, E53/1716, E53/1802, E53/1884, E53/1885, E53/1886, E53/1887, E53/1950, E38/2009, E38/2912, E38/3193, E53/2018 and E53/2090.

The Searches are not determinative of whether there were registered native title claims in existence at the time the Tenements were granted, or whether there was compliance with the *Native Title Act 1993* (Cth) (**NT Act**) at that time. We assume that where the Tenements have been granted, the relevant processes under the NT Act have been complied with, and that the grants of the Tenements were validly made. Information about native title processes and the NT Act is provided at paragraph 7.

4.12 **Aboriginal Cultural Heritage**

Searches of the Department of Planning, Lands and Heritage (**DPLH**) Aboriginal Heritage Inquiry System (**AHIS**) indicated that there are no registered Aboriginal cultural heritage 'sites' on the Tenements. Information as to the laws concerning Aboriginal cultural heritage is provided at paragraph 8.

4.13 **Heritage and Exploration Access Agreements**

We have been provided with an 'Exploration and Prospecting Deed of Agreement' between the Kultju Native Title Claim Group (**Kultja Group**), Rox and Rox (Mt Fisher) Pty Ltd dated 2 October 2019 (**Kultja Heritage Agreement**). This was subsequently varied by a Deed of Variation between Kultja (Aboriginal Corporation) RNTBC ICN 9147 (**Kultja Corporation**) and Rox and Rox (Mt Fisher) Pty Ltd dated 11 December 2019 under which Kultja Corporation assumed all the rights and obligations of the Kultja Group under the Kultja Heritage Agreement.

The Kultja Native Title Determination became effective on 30 October 2019, and the Kultja Heritage Agreement provided for the assignment and assumption of the Kultja Group's rights and obligations to a prescribed body corporate once a determination was made.

The Kultja Heritage Agreement as varied applies to the following Fisher East Project tenements:

> Exploration Licences 53/1218, 53/1318, 53/1716, 53/1884, 53/1885, 53/1886, 53/2018 and53/2090 (**Kultja Tenements**),

and has the following effect:

(a) it provides processes under which Rox can explore the Kuljta Tenements, including notice and consultation requirements, when surveys and heritage monitoring are required, the amounts of money to be paid by Rox before carrying out exploration activities and for surveys and heritage monitoring;

(b) imposes an obligation on Rox to give notice of any changes to the Kultja Tenements including surrenders;

(c) imposes a reasonable endeavours obligation on Rox to give notice of employment and contracting opportunities to Kultja Corporation;

(d) requires Rox to give 28 days' notice of a proposed transfer of the Kultja Tenements and to ensure the transferee executes a deed assuming Rox's obligations under the Kultja Heritage Agreement; and

(e) provides that Kultja Corporation may move freely thorugh the Kultja claim area to exercise their Native Title rights except where Rox, acting reasonably, gives notice that access to a specific area is restricted due to exploration activities or on the basis of health and safety concerns.

In our view the Kultja Heritage Agreement as varied contains no unusual or unduly onerous provisions and the amounts to be paid appear to be within usual parameters.

Cannon and Rox will need to enter into a deed under which Cannon assumes Rox's rights and obligations under the Kultja Heritage Agreement as varied.

4.14 Indigenous Land Use Agreements

None of the Searches indicate that there are any ILUAs covering the areas of the Tenements.

We have not been provided with any ILUAs.

5 Tenements

5.1 Overview

The Tenements comprising the Projects consist of exploration licences granted under the Mining Act. This paragraph describes the nature and key terms of this type of mining tenement as set out in the Mining Act.

The Mining Act is the principal legislation governing mineral exploration licences in Western Australia. The Mining Act is supported by the *Mining Regulations 1981* (WA) (**Mining Regulations**). The Minister for Mines and Petroleum (**Minister**) is responsible for administering both the Mining Act and Mining Regulations.

5.2 Exploration Licences

(a) Grant of exploration licences

Section 57 of the Mining Act provides that the Minister may, upon application by any person, grant to that person an 'exploration licence' on such terms and conditions as the Minister may determine. The applicant must provide a statement specifying the proposed method of exploration, details of a proposed work programme, the estimated amount of expenditure on exploration if the exploration licence is granted and the technical and financial resources of the applicant (section 58(1) of the Mining Act). An applicant must provide such further information or evidence in support of the application as the mining warden or mining registrar may require (excluding any prior test results or samples) (section 58(3) of the Mining Act). The applicant must serve the application on owners and occupiers of land the subject of the application (section 58(4) of the Mining Act).

(b) Rights under exploration licences

While in force and subject to restrictions in respect of protected Crown land, an exploration licence authorises the holder to explore for minerals and carry out such ancillary works and operations (for example, digging pits, trenches and holes) as are necessary for that purpose (section 66(b) of the Mining Act). Furthermore, the holder may enter and re-enter land the subject of the licence with such agents, employees, vehicles, machinery and equipment as may be necessary or expedient to undertake the relevant exploration activities (section 66(a) of the Mining Act).

(c) Term of an exploration licence, extension of term and relinquishment

Section 61 of the Mining Act provides for the term of exploration licences and their periods for extension. An exploration licence which was granted or applied for on or after 10 February 2006 (which is the case with all of the Tenements) remains in force for a period of five (5) years.

The Mining Act and Mining Regulations provide that the Minister may grant extensions to the terms for the Tenements upon application by the holders in the last year of the relevant term. Accordingly exploration licences may, in prescribed circumstances and at the Minister's discretion, be extended over the whole or a part of the exploration

licence by a further period of five (5) years, followed by further periods of two (2) years.

The holder of an exploration licence applied for and granted after 10 February 2006 in respect of more than 10 blocks must relinquish not less than 40% of the blocks comprising the licence at the end of the fifth year. A failure to lodge the required partial surrender could render the tenement liable for forfeiture. All of the Tenements subject to this requirement have complied with this requirement. E53/1716 and E53/1884 to 1887 are each comprised of only 1 block and as such there was not requirement to lodge a voluntary surrender.

(d) Retention Status

The holder of an exploration licence granted after 10 February 2006 may apply for approval of retention status for the exploration licence. The Minister may approve the application where there is an identified mineral resource in or under the land the subject of the exploration licence but it is impractical to mine the resource for prescribed reasons. Where retention status is granted, the minimum expenditure requirements are reduced in the year of grant and cease in future years. However, the Minister has the right to impose a programme of works or require the holder to apply for a mining lease.

(e) Transfer of exploration licences

No legal or equitable interest in or affecting an exploration licence can be transferred or otherwise dealt with during the first year of its term without the prior written consent of the Minister (section 64 of the Mining Act). If consent is provided, the transfer of the legal interest in an exploration licence must be registered under the Mining Act to be legally effectual (section 103C(8) of the Mining Act). Thereafter, there are no restrictions on transfer or other dealings.

(f) Application for a mining lease

The holder of an exploration licence has a right of priority to apply for and, subject to the grant requirements of the Mining Act, have granted, one or more mining leases over any part or parts of the land the subject of the exploration licence (section 67(1) of the Mining Act). Any application for a mining lease must be made prior to the expiry of the exploration licence to preserve that priority.

Where an application for a mining lease is lodged before the expiry date of the exploration licence but the application is not determined by that date, the Mining Act extends the term of the exploration licence until the application for the lease is determined (section 67(2) of the Mining Act).

5.3 Conditions and Forfeiture

In Western Australia, mining tenements are granted subject to various standard conditions prescribed by the Mining Act. For exploration licences, these typically include payment of annual rent, minimum expenditure requirements, tenement reporting requirements and standard environmental conditions, as well as any additional conditions imposed by the Minister (such as restrictions on mining or access to certain reserves).

The Mining Act provides that exploration licences, prospecting licences and miscellaneous licences are held subject to standard conditions and any specific conditions that may be imposed by the Minister. Standard conditions concern issues such as tenement reporting, reporting economic discoveries, not using ground disturbing equipment without an approved work programme, rehabilitating the land and removing waste and rubbish. The specific conditions are mainly concerned with the holders not accessing certain Crown reserves or sites without the permission of the responsible Minister.

Failure to comply with any of the terms and conditions of a tenement by the holder may lead to the mining warden or the Minister to impose a fine or order that the tenement be forfeited. Generally, an order for forfeiture can only be made where the breach is of sufficient gravity to justify forfeiture of the tenement.

5.4 Offences and penalties

Anyone acting in contravention of, or failing to comply with the Mining Act is deemed to commit an offence (section 154(1) of the Mining Act).

Where a person has carried on mining (which is defined under section 8(1) to include fossicking, prospecting, and exploring for minerals and mineral operations) on any land without being duly authorised under the Mining Act or any other Act, the penalty for a body corporate is $300,000.00 and if the offence is a continuing one, a further fine of $30,000.00 for every day or part of a day during which the offence has continued (section 155 of the Mining Act).

A mining tenement may also be liable for forfeiture if the holder of the licence is convicted of an offence against the Mining Act (section 63A of the Mining Act). The Minister is less likely to extend the term of an exploration licence where this occurs.

5.5 Rent

Rent must be paid by a holder of a tenement under the Mining Act. The rate of rent depends upon the type of mining tenement. Rent is payable yearly in advance and is due on the anniversary date of the commencement of the term and must be paid not later than one month after that date.

Failure to pay the rent owing by the due date by the holder of an exploration licence leaves the tenement liable for forfeiture under section 96A or 63A of the Mining Act (upon declaration by the Minister in the government gazette that the exploration licence is forfeited).

The rent paid and payable for the Tenements in the current and previous year is detailed in the Tenement Schedule.

5.6 Expenditure requirements

The holder of an exploration licence or prospecting licence must comply with the prescribed expenditure conditions for the licence unless an exemption is granted under the Mining Act. A tenement will be liable for forfeiture by the Minister or on the application of a third party to the Warden if the expenditure obligations are not complied with (see the Tenement Schedule for the expenditure requirements for each of the Tenements).

The tenement holder can apply to the DMIRS for an exemption from the annual minimum expenditure requirement. Exemptions may be granted for a variety of reasons, including that time is required to purchase and erect machinery, that the ground the subject of the tenement is unworkable and that the tenement is part of a combined reporting group and the aggregate exploration expenditure would have satisfied each individual tenement's requirements if apportioned between the combined reporting tenements (the 'project exemption') (section 102(2) of the Mining Act). However, if the tenement holder does not meet the minimum expenditure requirement and either fails to apply for an exemption or an exemption application is refused then a fine may be imposed or the Tenement forfeited following an application by a third party and a declaration by the Minister (sections 98 and 99 Mining Act).

5.7 Combined Reporting Groups

Combined reporting groups allow the holder of a tenement to apply for a 'project exemption' from expenditure requirements under section 102(2)(h) of the Mining Act, if it can be established that the aggregate expenditure for the combined reporting tenements would satisfy the requirements for a particular tenement, had the aggregate expenditure been apportioned between each tenement in the respective Combined Reporting Group.

The Collurabbie Project Tenements E38/2009, E38/2912 and E38/3193 form a Combined Reporting Group (C103/2017).

The Fisher East Project Tenements E53/1218, E53/1318, E53/1716, E53/1802, E53/1884, E53/1885, E53/1886, E53/1887, E53/2018 form a Combined Reporting Group (C145/2005). This Combined Reporting Group also includes tenements held by Rox (Mt Fisher) Pty Ltd being Exploration Licences 53/1061, 53/1106, 53/1319, 53/1788 and 53/1836 and Mining Leases M53/9 and M53/127. The Combined Reporting Group will be amended to separate out the tenements according to their respective ownership. This is an administrative action and does not require the consent of the Minister or a Warden.

5.8 **Security**

All applicants and transferees of mining tenements under the Mining Act must lodge a $5,000 security with DMIRS for each tenement, to protect against the holder not complying with the tenement conditions and the requirements of the Mining Act and the Mining Regulations (section 126 of the Mining Act and regulations 75(a) and 112 of the Mining Regulations).

The security is provided by completing, signing and lodging at DMIRS a Form 32 Security in respect of each tenement by the applicant or transferee.

5.9 **Mining Rehabilitation Levy**

Formerly, in addition to the Form 32 Security, a monetary environmental bond was required to be lodged with DMIRS.

The Mining Rehabilitation Fund (**MRF**) commenced operation on 1 July 2013 and since then the majority of monetary environmental bonds in Western Australia have been returned to tenement holders due to the operation of the MRF.

The MRF requires disturbance data (describing the number of hectares disturbed and the type of disturbance) to be collated and submitted online to DMIRS annually. The data is used to calculate a levy which the tenement holder must pay. Tenements with a liability estimate below $50,000 must report disturbance data but will not be required to pay a levy to the MRF.

Disturbance data for the Tenements must be submitted by 30 June of a given year for the reporting period 1 July of the previous year to 30 June of the current year and if applicable the levy paid for that year.

5.10 **Programme of Works**

It is a deemed standard condition of an exploration licence that the tenement holder does not use ground disturbing equipment until a programme of work has been lodged and approved in writing by the Minister. We are instructed that Cannon has approved programmes of work required to undertake its proposed exploration programme in respect of the Tenements, and if Cannon chooses to undertake additional exploration activities it will progressively obtain additional approvals as required.

5.11 **Overlapping Tenements and Tenure**

The Mining Act provides that the granted area of a mining lease, exploration licence or a prospecting licence will not include any land the subject of a current mining tenement (other than a miscellaneous licence). However, a miscellaneous licence may be granted over another miscellaneous licence or another tenement and vice versa as a miscellaneous licence does not confer exclusive possession rights under the Mining Act.

Section 117(2) of the Mining Act provides that each grant of a mining tenement shall be deemed to contain an express reservation of the rights to which the holder of the existing mining tenement is entitled. This establishes a priority of first in time so where there is an overlap between Cannon's Tenements and a third party tenement, Cannon should be aware that its right on its Tenements may be limited by the rights of the third party especially if that third party has first in time priority.

The Searches do not indicate any overlapping tenements over the Tenements.

6 Pastoral Leases, Land Access and Compensation

6.1 Pastoral Leases

As set out in paragraph 4.10 above, parts of various Tenements overlap with pastoral leases in Western Australia.

The Mining Act provides that the rights of a tenement holder generally have priority over the rights of a pastoral lessee, subject to the right of pastoral lessee to (unless overruled by the mining warden), withhold consent to the conduct of activities within:

(a) 100 metres of land that is under crop;

(b) 100 metres of a yard, stockyard, garden, cultivated field, orchard, vineyard, plantation, airstrip or airfield;

(c) 100 metres of land that is occupied by a house or building;

(d) 100 metres of a cemetery or burial ground; or

(e) 400 metres of improvements such as any water works, race, dam, well or bore constructed and used by the pastoral lessee.

Under section 123 of the Mining Act a pastoral lessee may seek compensation for damage to improvements or substantial loss of earnings from interference with pastoral activities by the holder of a tenement.

6.2 Crown reserves

Generally access to Crown land nature reserves is restricted under the Mining Act without approval.

Mining tenements cannot be applied for and granted under the Mining Act with respect to national or marine parks, nature or timber reserves or water management areas), without the written consent of the Minister responsible for the administration of the reserve and compliance with any specific procedures peculiar to the type of reserve (sections 23, 24, 24A and 25 of the Mining Act).

Section 24(1)(e) of the Mining Act provides that areas covered by water reserves or other related reserves may be mined with the written consent of the Minister who will consult with the Minister responsible for the administration of that reserve (section 24(3A) and (3B) of the Mining Act).

7 Native Title

This section of the Report outlines the effect of native title on the Tenements.

7.1 Commonwealth native title law

The existence of native title rights held by Aboriginal and Torres Strait Islander people's arising under traditional laws and customs in relation to their traditional lands and waters was first recognised under Australian common law in 1992 by the High Court in *Mabo v Queensland (no. 2) (1992) CLR 1* (**Mabo No. 2**).

As a result of Mabo No. 2, the NT Act was passed to provide a regime by which:

(a) persons claiming to hold native title in land and waters, excluding freehold land and certain other specified categories of land, can have their claims determined by the Federal Court;

(b) persons whose claim is registered because they demonstrate a prima facie case to hold native title are entitled to certain procedural rights in respect of the grant of future rights and interests, including mining tenements, to other persons over that land and waters; and

(c) persons found to hold native title are entitled to compensation in respect of the effect on that native title of the grant to other persons over that land and waters of any rights and interests after the commencement of the *Racial Discrimination Act 1975 (Cth)*, including any future rights and interests.

In relation to the grant of mining tenements, the procedural rights referred above which are enjoyed by registered native title claimants and native title holders include:

(a) in respect of the proposed grant of exploration licences, a right to object to the application of the expedited procedure under the NTA which, unless an objection is upheld, has the effect of permitting the grant of mining tenements without requiring negotiation in the same manner as for mining leases and to have that objection heard and determined by the National Native Title Tribunal; and

(b) in respect of the proposed grant of mining leases, an obligation to negotiate in good faith with the tenement applicant and the State of Western Australia with a view to reaching agreement in relation to the grant of that mining lease, failing which any party to those negotiations may, no earlier than six months after notification of proposed grant, apply to the NNTT for a determination as to whether or not the leases should be granted in the absence of agreement.

7.2 **Native title claim over the Tenements**

(a) Implications of Native Title for the Projects

(i) The effect of a registered native title claim or determination is that the grant of a mining tenement (where the grant constitutes a 'future act' under the NT Act) will attract the procedural processes under the NT Act. Failure to adhere to future act processes will result in a future act being invalid if it is later determined that a native title claim exists in the relevant area. The consequence of invalidity would be that any third party could apply for tenure over the area of the invalid tenement. In that case, to protect its rights Cannon would need to re-apply for the grant of tenure over the applicable tenement area.

(ii) Where exploration tenements have been applied for or granted over land where the extinguishment of native title has not been confirmed, Cannon will need to comply with the future act provisions of the NT Act on future conversion of each exploration licence to a mining lease.

(iii) Tenements granted after commencement of the NT Act on 24 December 1993 validly affect native title provided that the relevant applicable future act process has been complied with. The 'non-extinguishment principle' applies to the grant of those mining tenements with the effect that native title (if it already exists) continues to exist in the land the subject of those tenements but has no effect in relation to the tenements to the extent of any inconsistency. Compensation is payable to any determined native title holders.

(b) Risk of liability for compensation payments to native title holders

(i) All of the Exploration Licences were applied for or granted after 24 December 1993 with the consequence that, provided that the applicable future act process was complied with, the non-extinguishment principle applies but any determined native title holder will be entitled to compensation.

(ii) Under the NT Act and the Mining Act, liability for payment of compensation in respect of the grant of a mining tenement falls upon the tenement holder at the time the compensation is determined except:

(A) if the amount is to be paid and held in trust, in which case the liability falls upon the tenement holder at the time payment is required; and

(B) in the event that, at the relevant time, the tenement has been surrendered, forfeited or expired, in which case the liability falls upon the tenement holder immediately prior to that surrender, forfeiture or expiry (as applicable).

8 Aboriginal cultural heritage

The *Aboriginal Heritage Act 1972 (WA)* (**AH Act**) and the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984 (Cth)* seek to protect areas and objects of cultural significance to Aboriginal and Torres Strait Islander people in accordance with their traditional laws and customs (**Aboriginal cultural heritage**).

The Registrar of Aboriginal Sites maintains a register of Aboriginal Sites protected under the AH Act in addition to a record of other heritage places which may have cultural significance to Aboriginal people, but are yet to be assessed for the purposes of the Act, or fail to satisfy the criteria specified under the Act.

Under the AH Act, it is an offence to damage or in any way alter an 'Aboriginal Site' without the consent of the Minister under section 18 or the permission of the Registrar under section 16. An 'Aboriginal Site' under the AH Act may be an archaeological site, a sacred or ceremonial site or a place of importance or significance which is associated with Aboriginal people and should be preserved because of its significance to the cultural heritage of the State and to Aboriginal people.

The AH Act establishes a Register of Aboriginal Sites, but protects Aboriginal Sites regardless of whether or not they are registered. Under the AH Act, it is an offence for a person to damage or in any way alter an Aboriginal site protected by that Act, except with the consent of the Minister for Aboriginal Affairs.

As part of the DMIRS programme of work application process, it will be necessary to determine whether or not the exploration activities may impact on an Aboriginal site due to the operation of the AH Act and the *Aboriginal and Torres Strait Islander Act 1984 (WA)*. This will involve conducting a search of the register of Aboriginal sites, notifying and liaising with the Kultja Corporation in respect of the Kultja Tenements and, where warranted, the conduct of an Aboriginal heritage survey.

9 Material Contracts

Cannon has entered the Demerger Agreement between Rox and Cannon dated 13 May 2021, which is summarised at section 9 of the Prospectus.

Pursuant to the Demerger Agreement, the following agreements relating to the Tenements will be assigned or novated from Rox to Cannon which are summarised at section 9 of the Prospectus:

(a) Rio Tinto Exploration Agreement;

(b) Delta Exploration Agreement;

(c) Goldex Agreement; and

(d) Collurabbie Agreement.

10 Exclusions, Assumptions and qualifications

10.1 Exclusions

This report relates only to the ownership of and rights and interests in the Tenements as granted under the Mining Act. This Report excludes any analysis of the ownership of any plant, equipment, improvements or other chattels on the land the subject of the Tenements.

10.2 Assumptions

(a) The following assumptions apply in respect to the preparation of this Report (not excluding any assumptions expressed elsewhere in the Report):

(i) we have assumed that information provided by third parties, including various Government departments, in response to searches and enquiries made by us is accurate, complete and up to date as at the date of its receipt by us;

(ii) we have assumed that the contracts referred to in this Report were within the capacity and powers of, and were validly authorised, assessed for duty or lodged for assessment (where necessary), executed, delivered by and are legally binding on and enforceable against the parties to them and comprise the entire agreement of the parties to each of them with respect to their respective subject matters;

(iii) we have assumed that the signatures on the contracts referred to in this Report are authentic;

(iv) we have assumed that there are no material documents or information to be provided other than the contracts referred to in this Report;

(v) we have assumed that the parties to each of the contracts referred to in this Report are complying with and will continue to comply with and fulfil the terms of each of the contracts referred to in this Report; and

(vi) we have assumed the completeness and the conformity to original documents of all copies reviewed.

(b) We have not been instructed as part of the scope of this Report to conduct, and we have not conducted, searches of:

(i) the register of contaminated sites maintained by the Department of Water and Environmental Regulation (**DoW**);

(ii) the AHIS maintained by the DPLH for unregistered 'Other Heritage Places' overlapping the Tenements or made enquiries about the presence or adequacy of previous Aboriginal heritage surveys;

(iii) any environmental approvals or conditions in respect of the Tenements; or

(iv) searches of deregistered and unregistered native title claims with NNTT.

10.3 Qualifications

(a) The following qualifications apply in respect to the preparation of this Report (not excluding any qualifications expressed elsewhere in the Report):

(i) our investigations were confined to the Searches unless otherwise specified. This Report is accurate and complete only to the extent that the information resulting from these Searches was correct as at the date that the searches were conducted;

(ii) there have been no material changes in the standing of the Tenements since the dates of the Searches;

(iii) in relation to any statement relating to whether a mining tenement is in good standing, such statement is only based on the information contained in the relevant search on the instrument of title for that tenement; and

(iv) where compliance with the terms and conditions of any mining tenements and the provisions of the Mining Act, including requirements necessary to maintain the tenements in good standing, or a possible claim in relation to the tenements by third parties, is not disclosed on the face of the Searches, we express no opinion as to such compliance or claim.

(b) The laws summarised in this Report are only a summary. The Report does not purport to mention every requirement in respect of the relevant law and is not exhaustive. Specific legal advice should be obtained for specific questions about certain laws.

11 Consent

This Report is given solely for the benefit of Cannon and the directors of Cannon in connection with the Prospectus and is not to be relied on or used for any other purpose or quoted or referred to in any public documents or filed with any Government body or other person without our prior consent other than being produced by Rox in the Notice of Meeting. This report is issued subject to the exclusions, assumptions and qualifications outline in section 10 above.

Yours faithfully

THOMSON GEER

Schedule 1

Tenement Schedule

No.	Tenement	Registered Holder	Status	Granted	Expiry	Aboriginal Cultural Heritage Registered Sites	Native Title Status	Bond	Standing		Overlapping interests	Specific Conditions/ Endorsements	Dealings
									Rent	Expenditure			
1.	E53/1218	Rox Resources Limited	Live	08/01/2007	07/01/2023	No registered site	Cleared: expedited procedure applies Claims: WC2018/007 (Kultju)	No	**Current Year (2022)** $22,140.00 **Previous Year (2021)** $21,636.00	**Current Year (2022)** $108,000.00 commitment. **Previous Year (2021)** Expended in full.	PL N050007 Pastoral Lease (C) Wonganoo (84.8%) Unallocated crown land (15.2%) HAS 106717 1 DAA Heritage Survey Areas (14.72%) GWA 15 Groundwater Area East Murchison (100%) MZ 2 Mineralisation Zone, Non Section 57(2AA) Southern Section (100%) Central Desert (ARB 11) (100%) WAD225/2018 Kultju (WCD2019/012) (84.8%)	Standard conditions and endorsements apply	Partial Surrender – Compulsory 414467
2.	E53/1318	Rox Resources Limited	Live	21/09/2009	20/09/2021	No registered site	Native Title cleared	No	**Current Year (2021)** $4,305.00 **Previous Year (2020)** $4,207.00	**Current Year (2021)** $70,000.00 commitment. **Previous Year (2020)** Under expended by $10,019.00 – exemption granted on 5/02/2021.	PL N049504 Pastoral Lease (C) Yelma (9.34%) PL N050007 Pastoral Lease (C) Wonganoo (67.16%) Unallocated crown land (23.51%) HSA 106717 1 DAA Heritage Survey Areas (21.88%) HSA 17597 1 DAA Heritage Survey Areas (9.34%) GWA Groundwater Area East Murchinson (100%) MZ 2 Mineralisation Zone, Non Section 57(2AA) Southern Section (100%) Central Desert (ARB 11) (100%) WAD225/2018 Kultju (WCD2019/012) (67.16%)	The construction and operation of the project and measures to protect the environment must be carried out in accordance with the document titled "Programme of Work on E53/1318 for Rox Resources Limited" dated 7 May 2013.	Caveat 390296: Rio Tinto Exploration Pty Ltd Caveat 513918: RG Royalties, LLC Partial Surrender – Voluntary 474288

No.	Tenement	Registered Holder	Status	Granted	Expiry	Aboriginal Cultural Heritage Registered Sites	Native Title Status	Bond	Standing		Overlapping interests	Specific Conditions/ Endorsements	Dealings
									Rent	Expenditure			
											WAD6164/1998 Wiluna (WCD2013/004) (9.33%)		
3.	E53/1716	Rox Resources Limited	Live	03/04/2013	02/04/2023	No registered site	Cleared: expedited procedure applies Claims: WC2018/007 (Kultju)	No	**Current Year (2022)** $369.00 **Previous Year (2021)** $361.00	**Current Year (2022)** $20,000.00 commitment. **Previous Year (2021)** No expenditure lodged.	PL N050007 Pastoral Lease (C) Wonganoo (17.7%) Unallocated crown land (82.3%) HSA 106717 1 DAA Heritage Survey Areas (76.59%) GWA 15 Groundwater Area East Murchison (100%) MZ 2 Mineralisation Zone, Non Section 57(2AA) Southern Section (100%) Central Desert (ARB 11) (100%) WAD225/2018 Kultju (WCD2019/012) (17.7%)	Advice shall be sought from DoW if proposing any exploration within 30-50m of a defined waterway. The abstraction of groundwater is prohibited unless a licence to construct has been issued by the DoW.	
4.	E53/1802	Rox Resources Limited	Live	18/08/2014	17/08/2024	No registered site	Cleared: expedited procedure applies	No	**Current Year (2021)** $3,250.00 **Previous Year (2020)** $5,088.00	**Current Year (2021)** $50,000.00 commitment. **Previous Year (2020)** Expended in full.	Unallocated crown land (100%) HSA 106717 1 DAA Heritage Survey Areas (100%) GWA 15 Groundwater Area East Murchison (100%) MZ 2 Mineralisation Zone, Non Section 57(2AA) Southern Section (100%) Central Desert (ARB 11) (100%)	Advice shall be sought from DoW if proposing any exploration within 30-50m of a defined waterway. The abstraction of groundwater is prohibited unless a licence to construct has been issued by the DoW.	Partial Surrender – Voluntary 584139
5.	E53/1884	Rox Resources Limited	Live	24/01/2017	23/01/2022	No registered site	Cleared: expedited procedure applies Determination: WCD2013/004 (Native Title exists in entire	No	**Current Year (2022)** $369.00 **Previous Year (2021)** $361.00	**Current Year (2022)** $10,000.00 commitment. **Previous Year (2021)** Expended in full.	PL N049504 Pastoral Lease (C) Yelma (65.42%) PL N050007 Pastoral Lease (C) Wonganoo (34.59%) HSA 17597 1 DAA Heritage Survey Areas (65.42%)	Standard conditions and endorsements apply.	

No.	Tenement	Registered Holder	Status	Granted	Expiry	Aboriginal Cultural Heritage Registered Sites	Native Title Status	Bond	Standing		Overlapping interests	Specific Conditions/ Endorsements	Dealings
									Rent	Expenditure			
							determination area)				GWA 15 Groundwater Area East Murchison (100%) MZ 2 Mineralisation Zone, Non Section 57(2AA) Southern Section (100%) Central Desert (ARB 11) (100%) WAD225/2018 Kultju (WCD2019/012) (34.59%) WAD6164/1998 Wiluna (WCD2013/004) (65.41%)		
6.	E53/1885	Rox Resources Limited	Live	31/10/2016	30/10/2021	No registered site	Cleared: expedited procedure applies	No	**Current Year (2021)** $369.00 **Previous Year (2020)** $361.00	**Current Year (2021)** $10,000.00 commitment. **Previous Year (2020)** Under expended by $8,501.00 – exemption granted on 4/02/2021.	PL N050007 Pastoral Lease (C) Wonganoo (100%) GWA 15 Groundwater Area East Murchison (100%) MZ 2 Mineralisation Zone, Non Section 57(2AA) Southern Section (100%) Central Desert (ARB 11) (100%) WAD225/2018 Kultju (WCD2019/012) (100%)	Standard conditions and endorsements apply.	
7.	E53/1886	Rox Resources Limited	Live	31/10/2016	30/10/2021	No registered site	Cleared: expedited procedure applies	No	**Current Year (2021)** $369.00 **Previous Year (2020)** $361.00	**Current Year (2021)** $10,000.00 commitment. **Previous Year (2020)** Under expended by $8,527.00 – exemption granted on 4/02/2021.	PL N050007 Pastoral Lease (C) Wonganoo (100%) GWA 15 Groundwater Area East Murchison (100%) MZ 2 Mineralisation Zone, Non Section 57(2AA) Southern Section (100%) Central Desert (ARB 11) (100%) WAD225/2018 Kultju (WCD2019/012) (100%)	Standard conditions and endorsements apply.	
8.	E53/1887	Rox Resources Limited	Live	24/05/2017	23/05/2022	No registered site	Cleared: expedited procedure applies	No	**Current Year (2022)** $369.00 **Previous Year (2021)** $361.00	**Current Year (2021)** $10,000.00 commitment. **Previous Year (2020)** Under expended by $2,523.00 –	Unallocated crown land (100%) HSA 106717 1 DAA Heritage Survey Areas (100%) GWA 15 Groundwater Area East Murchison (100%)	Standard conditions and endorsements apply.	

No.	Tenement	Registered Holder	Status	Granted	Expiry	Aboriginal Cultural Heritage Registered Sites	Native Title Status	Bond	Standing		Overlapping interests	Specific Conditions/ Endorsements	Dealings
									Rent	Expenditure			
										exemption granted on 28/08/2021.	MZ 2 Mineralisation Zone, Non Section 57(2AA) Southern Section (100%) Central Desert (ARB 11) (100%)		
9.	E53/1950	Rox Resources Limited	Live	14/12/2017	13/12/2022	No registered site	Cleared: expedited procedure applies	No	**Current Year (2021)** $8,092.00 **Previous Year (2020)** $4,692.00	**Current Year (2021)** $51,000.00 commitment. **Previous Year (2020)** Expended in full.	Unallocated crown land (100%) HSA 106717 1 DAA Heritage Survey Areas (100%) GWA 15 Groundwater Area East Murchison (100%) MZ 2 Mineralisation Zone, Non Section 57(2AA) Southern Section (100%) Central Desert (ARB 11) (100%)	Standard conditions and endorsements apply.	Partial Surrender – Voluntary 568677
10.	E53/2018	Rox Resources Limited	Live	17/09/2019	16/09/2024	No registered site	Cleared: expedited procedure applies Claims: WC2018/007 (Kultju)	No	**Current Year (2021)** $369.00 **Previous Year (2020)** $322.00	**Current Year (2021)** $10,000.00 commitment. **Previous Year (2020)** Under expended by $8,017.00 – exemption granted on 14/01/2021.	PL N050007 Pastoral Lease (C) Wonganoo (100%) GWA 15 Groundwater Area East Murchison (100%) MZ 2 Mineralisation Zone, Non Section 57(2AA) Southern Section (100%) Central Desert (ARB 11) (100%) WAD225/2018 Kultju (WCD2019/012) (100%)	Standard conditions and endorsements apply.	
11.	E53/2090	Rox Resources Limited	Live	03/06/2020	02/06/2025	No registered site	Cleared: expedited procedure applies Determination: WCD2019/012 (Native Title exists in entire determination area)	No	**Current Year (2021)** $2,070.00 **Previous Year (2020)** N/A	**Current Year (2021)** $20,000.00 commitment. **Previous Year (2020)** N/A.	PL N050007 Pastoral Lease (C) Wonganoo (51.39%) Unallocated crown land (48.61%) HSA 106717 1 DAA Heritage Survey Areas (47.08%) GWA 15 Groundwater Area East Murchison (100%) MZ 2 Mineralisation Zone, Non Section 57(2AA) Southern Section (100%) ARB 11 Central Desert (100%)	Standard conditions and endorsements apply.	

No.	Tenement	Registered Holder	Status	Granted	Expiry	Aboriginal Cultural Heritage Registered Sites	Native Title Status	Bond	Standing		Overlapping interests	Specific Conditions/ Endorsements	Dealings
									Rent	Expenditure			
											WAD225/2018 Kultju (WCD2019/012) (51.39%)		
12.	E38/2009	Rox Resources Limited	Live	20/10/2008	19/10/2022	No registered site	Cleared: expedited procedure applies	No	**Current Year (2021)** $5,535.00 **Previous Year (2020)** $5,409.00	**Current Year (2021)** $70,000.00 commitment. **Previous Year (2020)** Under expended by $39,544.00 – exemption granted on 2/02/2021.	GE L336937 General Purpose (P) Check Purpose (4.56%) Unallocated crown land (95.44%) HSA 106717 1 DAA Heritage Survey Areas (100%) HSA 22349 1 DAA Heritage Survey Areas (96.64%) GWA 21 Groundwater Area Goldfields (100%) MZ 2 Mineralisation Zone, Non Section 57(2AA) Southern Section (100%) ARB 13 Goldfields (100%)	The grant of this licence does not include land the subject of prior E38/423 and application for E38/1071. If the prior licence expires, is surrendered or forfeited, that land may be included in this licence.	Partial Surrender – Compulsory 457465 Consent Caveat 349029 – BHP Billiton Nickel West Pty Ltd – shares in Falcon Minerals Ltd caveated – 14.06.2010 (of no effect)
13.	E38/2912	Rox Resources Limited	Live	12/09/2014	11/09/2024	No registered site	Cleared: expedited procedure applies	No	**Current Year (2021)** $2,275.00 **Previous Year (2020)** $3,816.00	**Current Year (2021)** $50,000.00 commitment. **Previous Year (2020)** Under expended by $31,199.00 – applied for exemption on 09/11/2020. Exemption was refused on 19/05/21. Please refer to paragraph 4.4(b)(viii) of this Report for further details.	Unallocated crown land (100%) HSA 106717 1 DAA Heritage Survey Areas (100%) HSA 22349 1 DAA Heritage Survey Areas (17.33%) GWA 21 Groundwater Area Goldfields (100%) MZ 2 Mineralisation Zone, Non Section 57(2AA) Southern Section (100%) ARB 13 Goldfields (100%)	Advice shall be sought from DoW if proposing any exploration within 30-50m of a defined waterway. The abstraction of groundwater is prohibited unless a licence to construct has been issued by the DoW.	Partial Surrender – Compulsory 585916
14.	E38/3193	Rox Resources Limited	Live	28/07/2017	27/07/2022	No registered site	Cleared: expedited procedure applies	No	**Current Year (2021)** $7,616.00 **Previous Year (2020)** $4,416.00	**Current Year (2021)** $48,000.00 commitment **Previous Year (2020)** Under expended by $7,595.00 – exemption	GE L336937 General Purpose (P) Check Purpose (4.9%) Unallocated crown land (95.1%) HSA 106717 1 DAA Heritage Survey Areas (100%) HSA 22349 1 DAA Heritage Survey Areas (82.91%)	Standard conditions and endorsements apply.	

No.	Tenement	Registered Holder	Status	Granted	Expiry	Aboriginal Cultural Heritage Registered Sites	Native Title Status	Bond	Standing		Overlapping interests	Specific Conditions/ Endorsements	Dealings
									Rent	Expenditure			
										granted on 6/11/2020	GWA 15 Groundwater Area East Murchison (20.49%) GWA 21 Groundwater Area Goldfields (79.51%) MZ 2 Mineralisation Zone, Non Section 57(2AA) Southern Section (100%) ARB 11 Central Desert (20.49%) ARB 13 Goldfields (79.51%)		

ROX
RESOURCES LIMITED

ABN 53 107 202 602

Need assistance?

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

Online:
www.investorcentre.com/contact

RXL

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00 AM (AWST) on Saturday, 26 June 2021.**

Proxy Form

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.

PARTICIPATING IN THE MEETING

Corporate Representative
If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form: XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is

Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

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

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia

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

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐ **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.

I 9999999999 I ND

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 General Meeting of Rox Resources Limited to be held at the Celtic Club, 48 Ord Street, West Perth, WA 6005 on Monday, 28 June 2021 at 10:00 AM (AWST) and at any adjournment or postponement of that meeting.

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
1	Ratify issue of Placement Securities under Listing Rule 7.1	☐	☐	☐
2	Ratify issue of Placement Shares under Listing Rule 7.1A	☐	☐	☐
3	Approval of Consolidation	☐	☐	☐
4	Approval for an equal reduction of capital and In-specie Distribution of Cannon Shares	☐	☐	☐
5	Approval to amend Constitution	☐	☐	☐

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.

Step 3 Signature of Securityholder(s)

This section must be completed.

Individual or Securityholder 1	Securityholder 2	Securityholder 3	
			/ /
Sole Director & Sole Company Secretary	Director	Director/Company Secretary	Date

Update your communication details *(Optional)*

Mobile Number _____

Email Address _____

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

Computershare