

# **Quarterly Activities Report**

## **For the period ending 30 June 2022**

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### **HIGHLIGHTS**

- **MACA Interquip completing metallurgical and design studies for Youanmi Gold Project**
- **Youanmi Near Surface Resource increased to 1.0 million ounces of gold**
- **Youanmi Gold Project Total Resource 3.2 million ounces at 3.57 g/t Au**
- **Outstanding drilling results and ongoing exploration at Mt Fisher Gold Project**
- **Exceptional Grade Control results from shallow Grace Resource**
- **Experienced mining engineer Robert Ryan appointed to the Board as Non-Executive Director**

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West Australian focused gold exploration and development company ("**Rox**" or "**the Company**") (ASX: RXL), is pleased to present its quarterly activities report for the period ending 30 June 2022.

The quarter was highlighted by further high-grade drilling results at the Youanmi Gold Project and an increase in Youanmi's Near Surface Resource estimate to 1.0 million ounces of gold.

The resource upgrade was reinforced by excellent grade control drilling results from the Shallow Grace Resource at Youanmi.

The Company appointed MACA Interquip in April to complete feasibility level metallurgical testwork for the Youanmi open pit and underground resources design as well as costing of a dual-purpose processing plant to scoping level accuracy.

At the Company's 100% owned Mt Fisher gold project in the Northern Goldfields, approximately 500km northeast of Kalgoorlie, outstanding gold grades were reported from the December 2021 drilling campaign with high gold grades intersected across broad widths at the Damsel Prospect. Post Quarter end, Rox commenced further RC drilling at Mt Fisher on the Damsel Prospect to support future resource estimation.

During the quarter Rox welcomed the appointment of Mr Robert Ryan as a Non-Executive Director of the Company. Mr Ryan is a mining engineer with more than 20 years of experience in the resources sector, including exploration, resource development, feasibility studies, project development, mining operations and corporate merger and acquisitions.

**Managing Director Alex Passmore commented:** *"It was another busy quarter for Rox with excellent drilling results at both the Youanmi and Mt Fisher projects, a resource upgrade of the Youanmi near surface resource, and more drilling to continue resource expansion and definition.*

*The metallurgical work, scoping level design and costing being completed by MACA Interquip will feed into studies that we expect will support a decision to return Youanmi Gold Project to production. We anticipate providing further scoping study information on Youanmi this quarter.*

*We are also focused on exploration at Mt Fisher, drilling out the high-grade component of the Damsel Prospect to support a maiden resource estimate."*

## **Youanmi Gold Project**

Rox holds a 70% interest in the OYG Joint Venture and is the manager at the historic Youanmi mining centre. Venus Metals Corporation Limited (ASX:VMC) ("Venus" or "VMC") retains a 30% interest.

The Youanmi Gold Project is located 480km NE of Perth and 400km inland and to the east of Geraldton. The historic Youanmi Gold Mine, located near the centre of the project tenement package, has historic production of 667,000 ounces of gold grading 5.42g/t from open pit (1987 - 1993) and underground operations. The operation was closed in 1997 when the gold price was approximately \$400 per ounce with the last parcel of ore mined underground at 14.6 g/t Au grade.

On 20 April 2022 Rox announced an increase in Near Surface Resource at Youanmi to 1.0Moz Au, an increase of 204Koz Au from the previous resource.

The 26% increase in Near Surface Resource increased the total Youanmi Resource to 3.2Moz Au, an increase of 93% from the June 2021 Resource of 1.7Moz Au (Refer Table 1 and Figure 1)

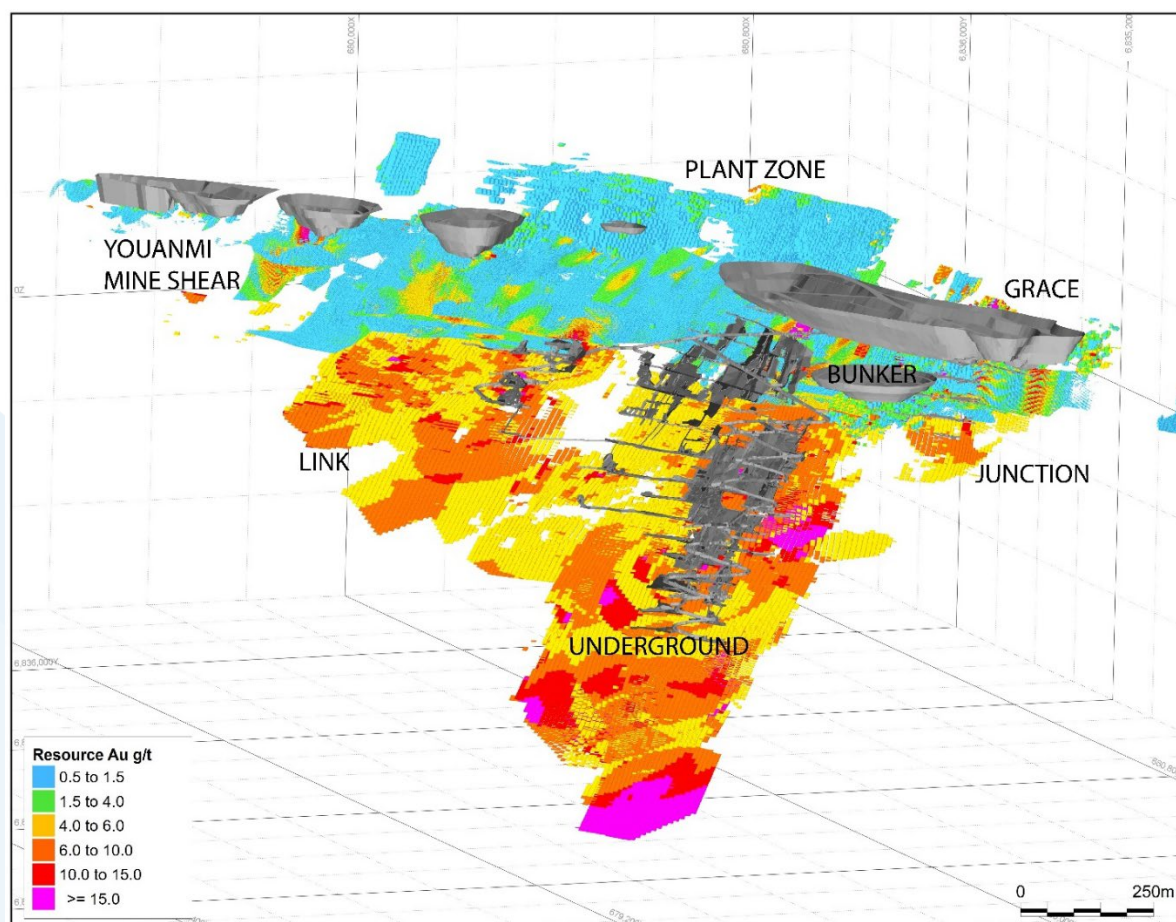
The Youanmi Project Mineral Resource Estimate of 27.9Mt at 3.6g/t Au for 3.2Moz of gold can be categorised into a near surface portion of 18.0Mt at 1.7 g/t Au for 1.0Moz of gold and the Youanmi underground of 9.9Mt at 6.9 g/t Au for 2.2Moz (refer ASX release dated 20 April 2022).

Area	Classification	Cut-off	January 2022 Resource*			Change in Au Metal (%)	April 2022 Resource		
			Tonnes (dmt)	Au Grade (g/t)	Au Metal (oz)		Tonnes (dmt)	Au Grade (g/t)	Au Metal (oz)
Near Surface	Indicated	0.5 g/t**	7,470,000	1.81	434,000	up 27%	9,070,000	1.89	552,000
Underground	Indicated	3.0 g/t*	3,060,000	7.55	744,000	na	3,060,000	7.55	744,000
<b>SubTotal</b>	<b>Indicated</b>		<b>10,530,000</b>	<b>3.48</b>	<b>1,178,000</b>	<b>up 10%</b>	<b>12,130,000</b>	<b>3.32</b>	<b>1,296,000</b>
Near Surface	Inferred	0.5 g/t**	7,240,000	1.57	366,000	up 24%	8,930,000	1.58	453,000
Underground	Inferred	3.0 g/t*	6,840,000	6.59	1,450,000	na	6,840,000	6.59	1,450,000
<b>SubTotal</b>	<b>Inferred</b>		<b>14,080,000</b>	<b>4.01</b>	<b>1,816,000</b>	<b>up 5%</b>	<b>15,770,000</b>	<b>3.75</b>	<b>1,903,000</b>
Near Surface	Ind + Inf	0.5 g/t**	14,710,000	1.69	800,000	up 26%	18,000,000	1.74	1,004,000
Underground	Ind + Inf	3.0 g/t*	9,900,000	6.89	2,194,000	na	9,900,000	6.89	2,194,000
<b>Near Surface + Underground</b>	<b>Ind + Inf</b>		<b>24,610,000</b>	<b>3.78</b>	<b>2,994,000</b>	<b>up 7%</b>	<b>27,900,000</b>	<b>3.57</b>	<b>3,199,000</b>

\* Underground Resource last updated in January 2022

\*\* Grace 1.5 g/t Au Cut-Off

**Table 1: Youanmi Mineral Resource April 2022, including comparison to January 2022**



**Figure 1: 3D View of Youanmi Underground Resource Model and Near Surface Model**

## **Youanmi Exploration**

During the quarter, Rox continued with its systematic exploration activities.

### **Near-mine Drilling**

On 11 April 2022, Rox reported high-grade results from drilling shallower parts of the Link area, and near pre-1942 stopes of the historical mine. Drilling at Link focused on resource conversion and extensional drilling (Refer Figure 2).

Highlights included:

- RXDD043: 4m @ 4.43g/t Au from 52m;
- RXRC429: 4m @ 4.41g/t Au from 128m; and
- RXRC435: 10m @ 1.39g/t Au from 76m, including 2m @ 4.1g/t Au from 84m.

As well as further de-risking the project, the results reconciled well with inferred resource block grades in this area and demonstrate ore continuity. The results from infill drilling continue to add confidence in the Near Surface Resource model. Results were also received from extensional drilling down plunge for the historical Hill End underground mine (Refer Figure 2).

Highlights included:

- RXDD039: 1m @ 13.44g/t Au from 384m and 0.89m @ 3.89g/t Au from 344m; and
- RXDD044: 2m @ 5.41g/t Au from 286m and 0.39m @ 3.44g/t Au from 334.72m.

Future drilling will test down dip and down plunge to target areas where thickening of mineralised zones is likely.

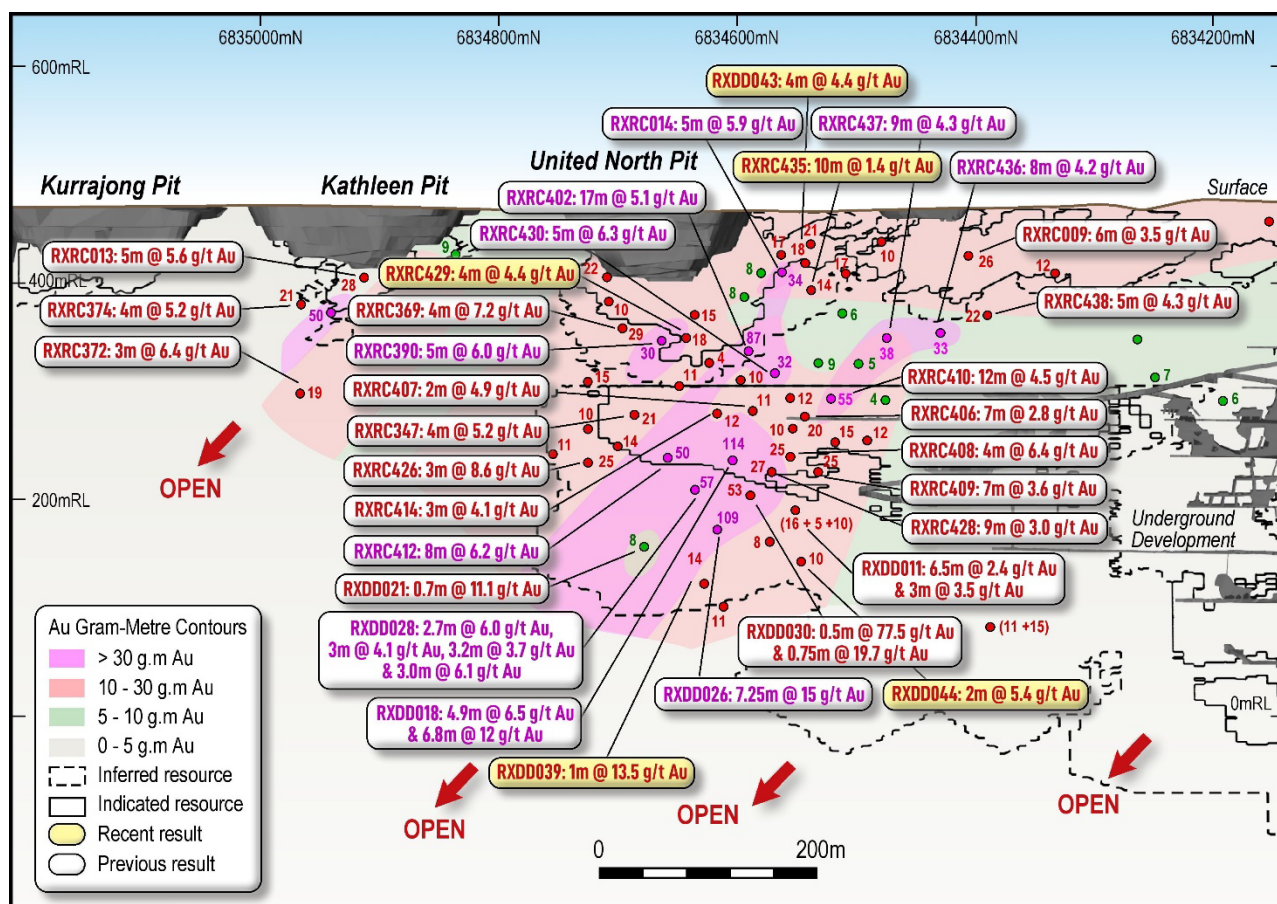
Additional high gold grades were intersected near the historical underground workings at Youanmi.

Results from drilling that tested for extensions to the historically mined high-grade stopes - in conjunction with previously reported results (ASX: RXL 22 February 2022) - continued to define an area of high-grade material within close proximity to existing underground development (Refer Figure 2).

Highlights included:

- RXRC452: 5m @ 9.82g/t Au from 198m, including 3m @ 15.86g/t Au from 198m;
- RXRC447: 4m @ 6.26g/t Au from 84m, and 6m @ 4.5g/t Au from 260m;
- RXDD038: 2m @ 11.8g/t Au from 109m; and
- RXRC442: 4m @ 2.99g/t Au from 156m.



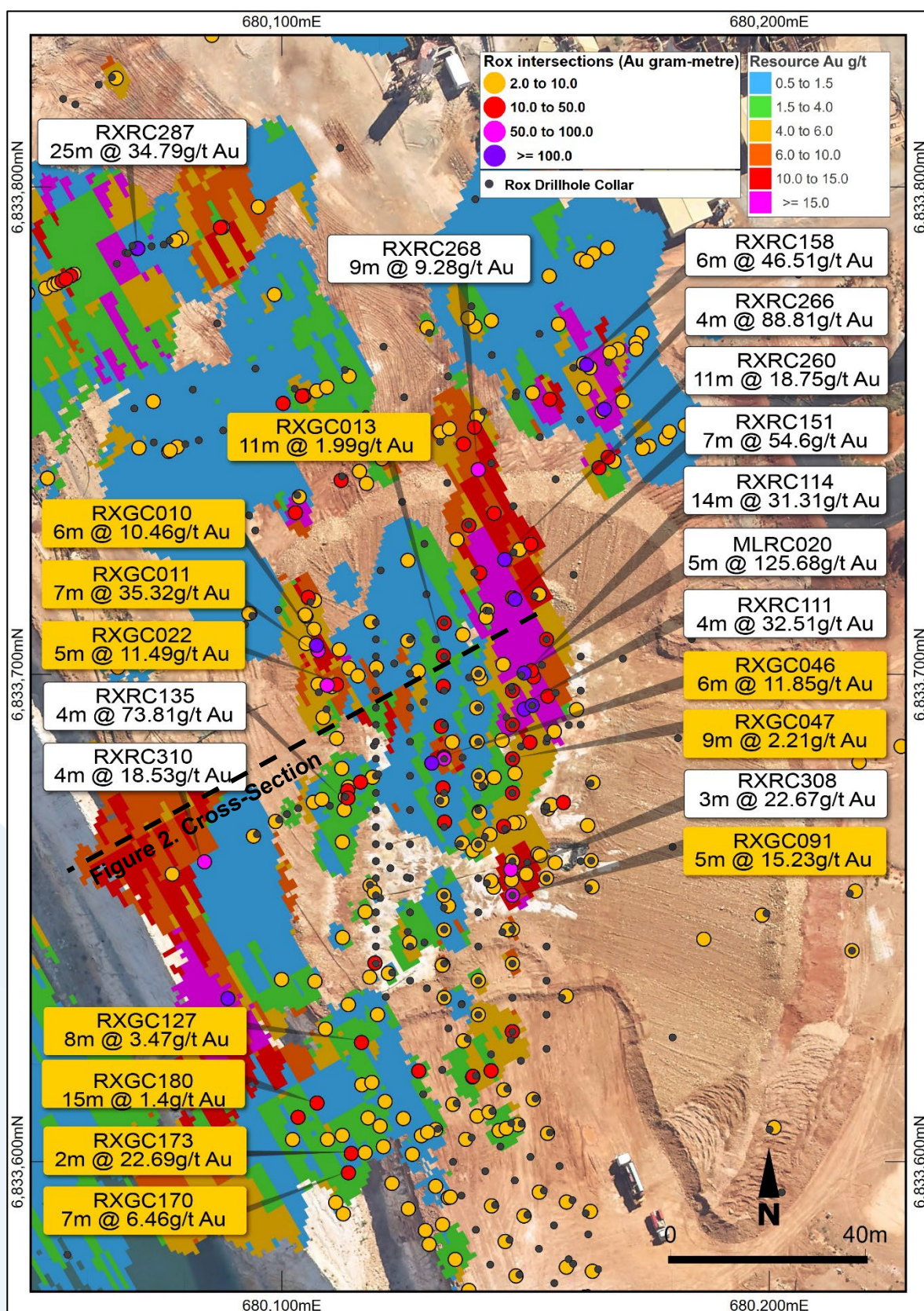


**Figure 2: Link target area long-section looking northeast**

During the quarter Rox received exceptional grade control results from the shallow Grace resource, on a 5 x 5m drill spacing, which demonstrated continuity of gold mineralisation and de-risked the deposit ahead of future commercialisation (Refer Figure 3). Highlights included (above 30 gram-metres):

- RXGC011: 7m @ 35.32g/t Au from 33m;
- RXGC091: 5m @ 15.23g/t Au from 3m;
- RXGC143: 5m @ 14.29g/t Au from 41m;
- RXGC046: 6m @ 11.85g/t Au from 0m;
- RXGC010: 6m @ 10.46g/t Au from 17m;
- RXGC022: 5m @ 11.49g/t Au from 27m;
- RXGC173: 2m @ 22.69g/t Au from 35m;
- RXGC170: 7m @ 6.46g/t Au from 48m; and
- RXGC127: 8m @ 3.47g/t Au from 39m.





**Figure 3. Grace deposit plan showing drillhole intersections and block model Au grades**

## Forward Plans

The Company will continue its approach of simultaneously exploring and conducting mining studies.

Ongoing and planned activities include:

- Investigating early cash-flow opportunities;
- Completion of Scoping Study for development of Youanmi which is due shortly. Metallurgical work has been completed (close to PFS level confidence), detailed underground mine design is circa 2 weeks from completion to feasibility level of detail, financial modelling is well advanced, and financing options are well understood for Scoping Study stage;
- Feasibility level underground and open pit metallurgical testwork;
- Mine design and environmental work;
- Inferred to indicated resource conversion and exploration drilling; and
- Further resource updates reflecting the latest high grade extension drilling in the Link area

## Youanmi Regional Joint Ventures

Rox and its joint venture partner, Venus Metals, are parties to three joint ventures covering regional exploration at Youanmi.

1. The high-grade historic Currans Find Joint Venture located in the centre of the Youanmi Gold Project in which Rox and Venus each hold a 45% interest in all minerals (ASX: 10 April 2019);
2. The VMC Joint Venture in which Rox has earned a 50% interest in the gold rights; and
3. The Youanmi Joint venture in which Rox has earned a 45% interest in the gold rights.

Rox is the manager of all regional joint ventures.

The Youanmi joint venture tenements cover approximately 80km of strike of the highly prospective Youanmi Shear Zone. The Youanmi Shear Zone is a major state scale feature and is the boundary between the Murchison and Southern Cross Domains of the Youanmi Terrane of the Yilgarn Craton. This major structure is a crustal-scale plumbing system and is likely the first-order fluid pathway for gold mineralisation in the region.

There was no significant activity during the June quarter.

The next steps in the Youanmi Regional exploration program are planned as:

- Follow up infill and extensional aircore drilling to further define the geometry and extent of oxide mineralisation at Target Areas 1-2, focusing initially on the three mineralised structures at Target Area 1;
- Further drilling at Target Areas 3-4;
- Regional targeting generation along the strike of the Youanmi Shear Zone; and
- RC drilling to test the primary mineralised zone identified in RXAC581 and RXAC718.



## **Mt Fisher-Mt Eureka Gold Project**

The Mt Fisher / Mt Eureka Gold Project is located in the Northern Goldfields of WA, about 500km north of Kalgoorlie (about 120km east of Wiluna).

Rox holds 850km<sup>2</sup> of the Mt Fisher greenstone belt and surrounding prospective zones (Rox 100% 500km<sup>2</sup>) and in the Mt Eureka area through the Cullen Resources Joint Venture, 350km<sup>2</sup> (Rox currently earning up to 75%, Cullen Resources Limited 25%).

The Mt Fisher greenstone belt hosts extensive orogenic gold mineralisation. More recently the belt has been recognised as containing significant komatiite hosted nickel deposits and showing potential for VMS Cu-Zn style deposits.

Rox believes that the Mt Fisher - Mt Eureka Project has the potential to host significant sized gold deposits and economic VMS mineralisation.

On 27 April Rox reported outstanding gold grades at Mt Fisher-Mt Eureka from drilling completed in December 2021.

High-grade results from Mt Fisher (Rox 100%) included:

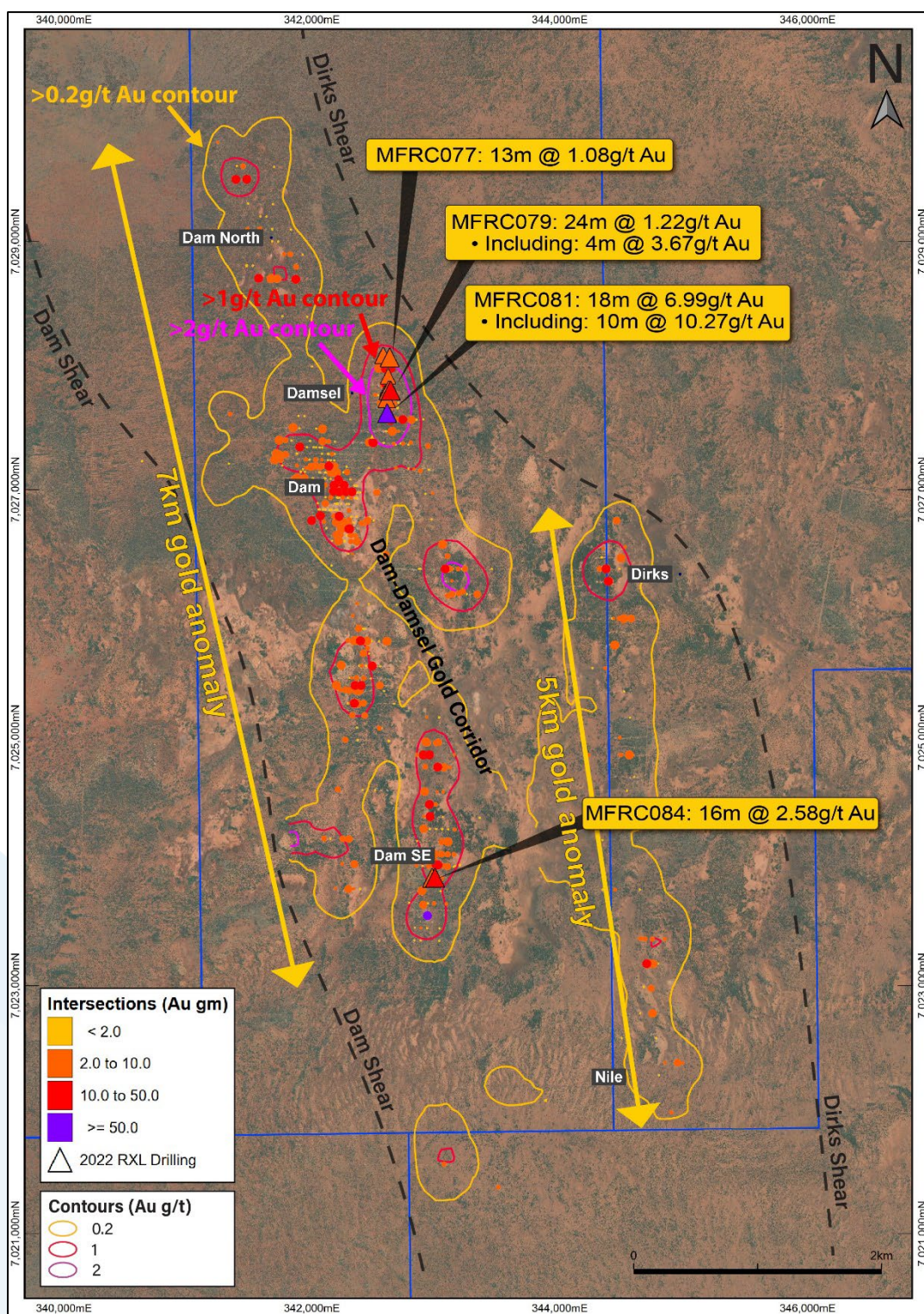
- MFRC081: 18m @ 6.99g/t Au from 69m, including 10m @ 10.27g/t Au from 74m at the Damsel Prospect;
- MFRC084: 16m @ 2.58g/t Au from 164m, including 4m @ 3.49g/t Au from 164m and 4m @ 4.34g/t Au from 172m at the Dam Prospect;
- MFRC079: 2m @ 4.16g/t Au from 94m and 24m @ 1.22g/t Au from 112m, including 4m @ 3.67g/t Au from 120m at the Damsel Prospect; and
- MFRC065: 9m @ 3.77g/t Au from 219m, including 5m @ 6.31g/t Au from 222m down plunge of high-grade historical Mt Fisher Gold Mine.

High-grade results from Mt Eureka (northern Mt Fisher belt tenure extension - Rox earning up to 75%, Cullen Resources Limited 25%) included:

- MFRC075: 13m @ 6.81g/t Au from 45m, including 9m @ 8.89g/t Au from 47m and 4m @ 2.59g/t Au from 67m at the Galway Prospect; and
- MFRC071: 3m @ 3.96g/t Au from 35m, including 2m @ 5.52g/t Au from 35m at the Southern Prospect.

On 4 July 2022 Rox resumed RC drilling at the high-grade component at the Damsel Prospect at Mt Fisher, where mineralisation is open down dip and down plunge. The drilling program will consist of 16 holes for approximately 2,000m. The program will test down dip and down plunge of MFRC081 and infill drill spacing to 40m with the aim of evaluating the strike and dip continuity of the high-grade mineralisation.





**Figure 4. Location plan of Dam-Damsel Gold Trend showing drill hole intersections and maximum gold in hole contours**

## Forward Plans

Ongoing and planned activities in the near term include:

- Follow up RC drilling at Damsel to test the strike and dip continuity of high-grade mineralisation and subsequently establish a high-grade resource; and
- Desktop study of Damsel economics and further drilling to grow mineralised envelope.

## Corporate

On 29 June 2022, Rox appointed Mr Robert Ryan as a non-executive director of the Company. Mr Ryan is a mining engineer with more than 20 years of experience in the resource sector, including exploration, resource development, feasibility studies, project development, mining operations and corporate merger and acquisitions.

Mr Ryan holds a Bachelor of Engineering (Mining Engineering) from Curtin University School of Mines and a First Class Mine Managers Certificate of Competency.

## Financial

As at 30 June 2022, the Company's cash balance was \$4.4 million, a decrease of \$2.5m from 31 March 2022. The primary cash movements for the quarter were as follows:

Description	\$m
Exploration and evaluation expenditure (including Investing Activities)	1.6
Administration and employee costs	0.8
Property, plant and equipment	0.1
<b>Total</b>	<b>2.5</b>

Payments to related parties of the entity and their associates totalled \$138k and consisted of Executive and Non-Executive Director Fees.

Authorised for release to the ASX by the Board of Rox Resources Limited.

**\*\*\*ENDS\*\*\***

### For more information:

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## **Competent Person Statements**

### **Resource Statements**

The Statement of Estimates of Mineral Resources for the Youanmi Near Surface Resource was reported by Rox in accordance with ASX Listing Rule 5.8 in the announcement released to the ASX on 20th April 2022. Rox confirms it is not aware of any new information or data that materially affects the information included in the previous announcements and that all material assumptions and technical parameters underpinning the estimates in the previous announcements continue to apply and have not materially changed.

The Statement of Estimates of Mineral Resources for the Youanmi Underground Resource was reported by Rox in accordance with ASX Listing Rule 5.8 in the announcement released to the ASX on 20th January 2022. Rox confirms it is not aware of any new information or data that materially affects the information included in the previous announcements and that all material assumptions and technical parameters underpinning the estimates in the previous announcements continue to apply and have not materially changed.

The Statement of Estimates of Mineral Resources that relates to gold Mineral Resources for the Mt Fisher project was reported by Rox in accordance with ASX Listing Rule 5.8 in the announcement released to the ASX on 11th July 2018. Rox confirms it is not aware of any new information or data that materially affects the information included in the previous announcements and that all material assumptions and technical parameters underpinning the estimates in the previous announcements continue to apply and have not materially changed.

### **Exploration Results**

Where reference is made to previous releases of exploration results in this announcement, the Company confirms that it is not aware of any new information or data that materially affects the information included in those announcements and all material assumptions and technical parameters underpinning the exploration results included in those announcements continue to apply and have not materially changed.

The information in this report that relates to previous Exploration Results was prepared and first disclosed under the JORC Code 2012 and has been properly and extensively cross-referenced in the text to the date of the original announcement to the ASX.



## About Rox Resources

Rox Resources Limited is an emerging Australian minerals exploration company. The Company has a number of key assets at various levels of development with exposure to gold and copper.

### Youanmi Gold Project (45% - 70%)

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

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

The Youanmi Gold Project consist of four joint ventures with Venus Metals Corporation Limited. The OYG JV (Rox 70%, all minerals) covers 65km<sup>2</sup> and surrounds the Youanmi Gold Mine and nearby extensions; the VMC JV (Rox 50%, gold rights) lies immediately south of the OYG JV and covers 302km<sup>2</sup> with some 35km of strike the Youanmi shear zone; The Youanmi JV (Rox 45%, gold rights) covers 270km<sup>2</sup> and lies to the south west and north east of the OYG JV and the Currans Find JV (Rox 45%, all minerals) which covers 4km<sup>2</sup> and is located within the Youanmi Greenstone Belt and situated approximately 5 km north-northwest of the historical Penny West gold mine.

### Mt Fisher Gold Project (100%)

The Mt Fisher / Mt Eureka Project is located in the Northern Goldfields, about 500km north of Kalgoorlie (about 120km east of Wiluna). Rox holds 850km<sup>2</sup> of the Mt Fisher greenstone belt and surrounding prospective zones (Rox 100% 500km<sup>2</sup>) and in the Mt Eureka area via the Cullen Resources JV, 350km<sup>2</sup> (Rox currently earning up to 75%, Cullen Resources Limited 25%).

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

## Appendix 1 – Mining Tenements

Project	Interest	Tenement Number	Interest held at beginning of quarter	Interest held at end of quarter
<b>Mt Fisher, WA</b>	All Minerals	E53/1061	100%	100%
	All Minerals	E53/1106	100%	100%
	All Minerals	E53/1836	100%	100%
	All Minerals	E53/1319	100%	100%
	All Minerals	E53/1788	100%	100%
	All Minerals	M53/0009	100%	100%
	All Minerals	M53/0127	100%	100%
	All Minerals	E36/0948	100%	100%
	Gold Rights	E53/1218	100%	100%
	All Minerals	E53/2002	100%	100%
	All Minerals	E53/2075	100%	100%
	All Minerals	E53/2095	100%	100%
	All Minerals	E53/2102	100%	100%
	Application	E53/2201	0%	0%
	Application	E53/2199	0%	0%
	Application	L53/0262	0%	0%
<b>Youanmi Gold Project, WA</b>	All Minerals	E57/1121	100%	100%
	All Minerals	E57/1122	100%	100%
	All Minerals	E57/1123	100%	100%
	Application	E57/1209	0%	0%
	Application	E57/1210	0%	0%
	Application	L57/0058	0%	0%
	Application	L57/0059	0%	0%
<b>Youanmi - OYG JV, WA</b>	All Minerals	M57/0010	70%	70%
	All Minerals	M57/0051	70%	70%
	All Minerals	M57/0075	70%	70%
	All Minerals	M57/0097	70%	70%
	All Minerals	M57/0109	70%	70%
	All Minerals	M57/0135	70%	70%
	All Minerals	M57/0160A	70%	70%
	All Minerals	M57/0164	70%	70%
	All Minerals	M/570165	70%	70%
	All Minerals	M57/0166	70%	70%
	All Minerals	M570167	70%	70%
<b>Youanmi - Sandstone Youanmi JV, WA</b>	Gold Rights	E57/0985	45%	45%
	Gold Rights	E57/0986	45%	45%

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Project	Interest	Tenement Number	Interest held at beginning of quarter	Interest held at end of quarter
<b>Youanmi - Sandstone Youanmi JV, WA</b>	Gold Rights	P57/1365	45%	45%
	Gold Rights	P57/1366	45%	45%
<b>Youanmi - VMC JV, WA</b>	Gold Rights	E57/0982	50%	50%
	Gold Rights	E57/1018	50%	50%
	Gold Rights	E57/1019	50%	50%
	Gold Rights	E57/1023-I	50%	50%
	Gold Rights	E57/1078	50%	50%
<b>Youanmi - Currans JV, WA</b>	All Minerals	M57/0641	45%	45%
	All Minerals	M57/0642	45%	45%
<b>Mt Eureka - Cullen JV, WA</b>	All Minerals	E53/1209	0%	Earning up to 75%
	All Minerals	E53/1299	0%	Earning up to 75%
	All Minerals	E53/1637	0%	Earning up to 75%
	All Minerals	E53/1893	0%	Earning up to 75%
	All Minerals	E53/1957	0%	Earning up to 75%
	All Minerals	E53/1958	0%	Earning up to 75%
	All Minerals	E53/1959	0%	Earning up to 75%
	All Minerals	E53/1961	0%	Earning up to 75%
	All Minerals	E53/2052	0%	Earning up to 75%