



ASX Announcement

13 November 2024

ROX RESOURCES LIMITED

ASX: RXL

Rox Resources is focused on developing the 100%-owned Youanmi Gold Mine in the Murchison region of WA, one of the highest-grade new gold development projects of scale in Western Australia.

DIRECTORS

Mr Stephen Dennis
Chairman

Dr John Mair
Non-Executive Director

Mr Matthew Hogan
Non-Executive Director

Mr Nathan Stoitis
Non-Executive Director

Shares on Issue	410.6m
Share Price	\$0.17
Market Cap.	\$69.8m

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Rox Resources to raise up to \$27 million

Highlights:

- **Strong investor support to raise approximately \$26 million (before costs) via a two-tranche placement to new and existing institutional and sophisticated investors, including the following cornerstones:**
 - **\$7 million commitment (no broker fees) from QGold Pty Ltd (an entity controlled by Christopher Wallin). Following completion of the Placement, Mr Wallin is anticipated to directly hold 10.04% of Rox, and together with his associates (including Venus Metals Corporation Limited) will have a relevant interest in approximately 19.98% of Rox shares; and**
 - **\$11 million commitment (no broker fees) from major shareholder, Hawke's Point. Following completion of the Placement Hawke's Point will hold 19.88% of Rox**
- **Issue price of \$0.14 per share represents a 17.6% discount to the last closing price and 16.1% discount to the 5-day VWAP**
- **Share purchase plan (SPP) offer to all eligible shareholders to raise a maximum of \$1 million at the same issue price as the placement with no over subscriptions accepted**
- **Rox to also undertake an unmarketable parcel sale facility**

Rox Resources Limited (**Rox or the Company**) (**ASX: RXL**) is pleased to announce it has received firm commitments from new and existing institutional and sophisticated investors to raise approximately **\$26 million (before costs)** via a two-tranche placement of approximately 185.7 million new fully paid ordinary shares in the Company (**New Shares**) at an issue price of \$0.14 per New Share (**Placement**).

In addition to the Placement, existing eligible shareholders will have the opportunity to subscribe for up to a maximum of \$30,000 worth of new fully paid ordinary shares in the Company (**SPP Shares**) each at an issue price of \$0.14 per SPP Share under a SPP, to raise a maximum of \$1 million (before costs). Further details on the SPP are provided below.

The Placement and the SPP together comprise the **Capital Raising**.

To encourage shareholders who hold an unmarketable parcel of shares (being shares worth less than \$500 in value) to increase their holdings to a marketable size, shareholders will be offered the opportunity to purchase SPP Shares under the SPP. If shareholders who hold an unmarketable parcel do not participate in the SPP and do not advise the

Company that they wish to retain their shares, their shares will be sold under the unmarketable parcel share sale facility.

Euroz Hartleys Limited and Canaccord Genuity (Australia) Limited acted as joint lead managers to the Placement.

Rox Resources Chief Executive Officer Phill Wilding said:

"We are delighted to have received such strong support from our long-standing shareholders, and we are excited to take our new investors on the journey to restarting production at the high gold-grade Youanmi Gold Project in Western Australia."

"The Capital Raising will see the Rox team well-funded to advance near-mine growth drilling, finalise the Definitive Feasibility Study and commence parallel workstreams, including dewatering, to accelerate our path to early production at Youanmi."

"The recently completed Pre-Feasibility Study at Youanmi outlined a high-grade, high-margin underground gold project with robust economics, and in a location with rich mining history and well-understood ground. We have a strong foundation to build on, and we look forward to updating the market as we advance the Youanmi Gold Project through the Definitive Feasibility Study toward a Final Investment Decision, targeted for FY26."

Use of Funds

The proceeds from the Capital Raising will be used to:

- accelerate near-mine growth drilling through a ~35,000m drilling program;
- finalise the Definitive Feasibility Study for the Youanmi Gold Project;
- prepare and commence early dewatering activities to accelerate path to production; and
- general working capital.

Placement

The Company will issue a total of 185,714,286 New Shares at an issue price of \$0.14 per New Share over the two-tranche Placement. The New Shares to be issued under the Placement will rank equally with the Company's existing shares on issue.

The issue price of \$0.14 per New Share represents a 17.6% discount to the last closing price of shares of \$0.17 on 8 November 2024, a 24.3% discount to the 15-day volume weighted average price (**VWAP**) of shares and a 16.1% discount to the 5-day VWAP of shares.

The first tranche of approximately 92.9 million New Shares to raise approximately \$13 million (before costs) will be completed under the Company's existing placement capacity pursuant to ASX Listing Rule 7.1 and 7.1A (**Tranche 1 Placement**). The Company will settle the Tranche 1 Placement in two parts as follows:

- **Tranche 1A** – approximately 35.7 million New Shares to be issued to new and existing institutional and sophisticated investors, anticipated to be settled on or around Wednesday, 20 November 2024; and
- **Tranche 1B** – an aggregate of approximately 57.2 million New Shares to be issued to QGold Pty Ltd, an entity controlled by Christopher Wallin and Hawke's Point (RRL) L.P (**Hawke's Point**), anticipated to be settled on or around Wednesday, 27 November 2024.

The second tranche of approximately 92.8 million New Shares to raise approximately \$13 million (before costs) will be subject to shareholder approval, given the number of shares to be issued will exceed the Company's existing placement capacity (**Tranche 2 Placement**). Mr Wallin, Hawke's Point and other institutional and sophisticated investors have committed to participating in the Tranche 2 Placement.

Subject to shareholder approval (including for the purposes of ASX Listing Rule 10.11), Messrs Stephen Dennis, Nathan Stoitis and Matthew Hogan intend on applying for an aggregate of approximately \$210,000 (before costs).

Christopher Wallin (via QGold Pty Ltd) is participating in the Placement as a cornerstone investor and is a major shareholder of the Company's substantial shareholder, Venus Metals Corporation Limited (ASX:VMC). Following completion of the Placement, Mr Wallin is anticipated to directly hold 10.04% of Rox, and together with his associates (including Venus Metals Corporation Limited) will have a relevant interest in approximately 19.98% of Rox shares (subject to shareholder approval under the Tranche 2 Placement).

Hawke's Point has committed to subscribe for \$11 million worth of New Shares. Hawke's Point's current shareholding in Rox will increase to 19.88% upon completion of the Placement (subject to shareholder approval under the Tranche 2 Placement).

Completion of the Tranche 2 Placement is subject to the Company obtaining shareholder approval to be sought at a general meeting (**Meeting**), which is presently anticipated to be held in or around late December 2024 / early January 2025. Further details on the Meeting time and venue will be provided in the notice of meeting (**Notice**) to be despatched to shareholders shortly.

Share Purchase Plan

The Company is also pleased to announce its intention to offer a SPP to existing eligible shareholders, being shareholders of the Company with a registered address in Australia, New Zealand or the United Kingdom recorded on the Company's share register as at 5:00pm (AWST) on Tuesday, 12 November 2024 (**Record Date**) (**Eligible Shareholders**) to raise a maximum of \$1 million (before costs).

Pursuant to the SPP, Eligible Shareholders in the Company will have the opportunity, irrespective of the size of their shareholding, to apply (without incurring brokerage fees or transaction costs) for up to \$30,000 worth of SPP Shares at the same issue price as the Shares issued under the Placement, being \$0.14 per SPP Share.

SPP details:

- the SPP Shares will be allocated on a first come first serve basis, and the Company will not accept oversubscriptions;
- the SPP is anticipated to open on Thursday, 21 November 2024 and has an indicative closing date of 5:00pm (AWST) on Thursday, 5 December 2024. The Company reserves the right to change the SPP opening and closing dates;
- the terms and conditions of the SPP will be detailed in the SPP offer booklet, which is expected to be released to the ASX and despatched to Eligible Shareholders on or around Thursday, 21 November 2024; and
- Eligible Shareholders should consider the offer booklet in full before deciding whether to apply for SPP Shares under the SPP pursuant to the offer booklet.

To avoid current postal delays, all shareholders are encouraged to update their communication preferences to receive documentation from the Company electronically via email by visiting www.investorcentre.com/au or by contacting the Company's share registry directly by telephone on 1300 850 505 (within Australia) or +61 (3) 9415 4000 (overseas).

An Appendix 3B for the proposed issue of Shares under the Placement and SPP will be lodged with ASX following this announcement.

Unmarketable Parcel Sale Facility

The Company will also provide a share sale facility for shareholders who hold parcels of shares valued at less than \$500 to sell their shares without incurring any brokerage or handling costs that could otherwise make a sale of their shares uneconomic or difficult (**Sale Facility**).

Based on the Company's share price at the close of trading on the Record Date of \$0.17 per Share, a holding of 2,941 shares or less constitutes an unmarketable parcel. This represents 2,461,003 shares held by 1,870 shareholders.

Under the Sale Facility, you have the following options available to you:

1. **Sell your shares** – Do nothing. If you want to sell your unmarketable parcel without incurring any brokerage or handling costs you do not have to do anything. Your shares will automatically be sold if you do nothing.
2. **Keep your existing shares** – opt out of the Sale Facility. If you want to keep your shares you will be required to opt out of the Sale Facility by following the instructions on the letter which will be emailed to you on or around Thursday, 21 November 2024.
3. **Acquire additional shares** – if you want to acquire additional shares you are encouraged to participate in the SPP where you can subscribe for a minimum parcel of \$2,000 worth of shares at an issue price of \$0.14 (or up to \$30,000, subject to scale back) OR purchase additional shares on market such that you hold at least a marketable parcel.

Further information in relation to the Sale Facility will be despatched to holders of unmarketable parcels on or around Thursday, 21 November 2024.

The Company has appointed Euroz Hartleys Limited to facilitate the sale of unmarketable parcels. Please note that Sale Facility is not a share buy-back scheme and Rox is not funding the acquisition of shares.

Indicative Timetable for the Capital Raising and the Sale Facility

Event	Indicative Date
Record Date of SPP and Sale Facility	5:00pm (AWST) on Tuesday, 12 November 2024
Announcement of Capital Raising and Sale Facility	Wednesday, 13 November 2024
Settlement of New Shares under Tranche 1A Placement	Wednesday, 20 November 2024
Issue of New Shares under Tranche 1A Placement	Thursday, 21 November 2024
Lodgement and despatch of SPP offer booklet and Sale Facility information	Thursday, 21 November 2024
SPP opens	6:00am (AWST) Thursday, 21 November 2024
Settlement of New Shares under Tranche 1B Placement	Indicatively on Wednesday, 27 November 2024
Issue of New Shares under Tranche 1B Placement	Indicatively on Thursday, 28 November 2024
SPP closes	Thursday, 5 December 2024
Announcement of the results of the SPP	Tuesday, 10 December 2024
Settlement of SPP Shares	Wednesday, 11 December 2024
Issue of SPP Shares	Thursday, 12 December 2024
General Meeting	Indicatively in late December 2024 / early January 2025
Settlement of Shares under the Tranche 2 Placement	Indicatively in late December 2024 / early January 2025
Issue of Shares under the Tranche 2 Placement	Indicatively in late December 2024 / early January 2025
Last date for holders of unmarketable parcels to advise the Company they wish to retain their shares	5:00pm (AWST) Monday, 13 January 2025
Sale of unmarketable parcels	As soon as possible after Monday, 13 January 2025

Note: This timetable is indicative only and is subject to change at the Company's discretion. The commencement of trading and quotation of shares under the Placement and SPP is subject to confirmation from the ASX. Subject to the requirements of the *Corporations Act 2001* (Cth), the ASX Listing Rules and other applicable rules, the Company reserves the right to amend this timetable at any time, without notice.

All amounts are in Australian dollars unless otherwise indicated.

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

***** ENDS *****

For more information:

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About Rox Resources

Rox Resources (ASX: RXL) is a West Australian focused gold exploration and development company. It is the 100 per cent owner of the historic Youanmi Gold Project near Mt Magnet, approximately 480 kilometres northeast of Perth, and owns the Mt Fisher - Mt Eureka Gold and Nickel Project approximately 140 kilometres southeast of Wiluna, with 100% ownership of certain tenure with the remaining tenure held via a joint venture (Rox 51%, earning into 75%).

Youanmi Project has a Total Mineral Resource of 2.3Moz of contained gold, with potential for further expansion with the integration of existing prospects into the Resource and further drilling. Youanmi was a high-grade gold mine and produced ~667,000oz of gold (at 5.47 g/t Au) before it closed in 1997. It is classified as a disturbed site and is on existing mining leases which have significant existing infrastructure to support a return to mining operations.