

Proposed Issue of Performance Rights

Rox Resources Limited (“**Rox**” or “**the Company**”) (**ASX: RXL**) advises that it proposes to issue performance rights to Mr Phillip Wilding in connection with his recent appointment as Managing Director and Chief Executive Officer, subject to approval at the next meeting of shareholders. The proposed issue of 9,000,000 performance rights will be in three (3) equal tranches with performance milestones aligned with the successful development of the Youanmi Gold Project (“**Youanmi**”).

The grant of performance rights will be on the terms and conditions set out in Appendix 1.

Rox Resources’ Chairman, Stephen Dennis, commented:

“Since his appointment in October 2024, Phillip has been instrumental in the Company’s recent transformation, delivering substantial growth in shareholder value as well as successfully capitalising the Company to ensure we are well positioned to progress Youanmi.

The Company considers that competitive remuneration, coupled with the establishment of appropriate hurdles for variable remuneration, attracts and retains high calibre Executives. The Board believes that the vesting milestones in the proposed performance rights would result in the successful delivery of Youanmi, which will deliver significant shareholder value.”

This announcement is authorised for release by the Board of Rox Resources Limited.

***** ENDS *****

For further information visit roxresources.com.au or contact admin@roxresources.com.au

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Appendix 1 – Terms and Conditions of Performance Rights

1 Grantor

The grantor of the Performance Rights is Rox Resources Limited (ACN 107 202 602) (the **Company**).

2 Entitlement

Each Performance Right entitles the holder (**Holder**) to subscribe for and be issued with one fully paid ordinary share in the Company (**Share**), on and subject to these terms and conditions.

3 No payment on grant

The Holder is not required to pay any amount to the Company for the grant of a Performance Right or any issue of Shares thereunder.

4 Term and Expiry

- (a) Each Performance Right will come into effect upon grant (**Grant Date**) and each Performance Right that is not exercised will expire on the earlier of:
- (i) Expiry dates, by Tranche, as listed in the Vesting Conditions below (**Expiry Date**);
 - (ii) the Performance Right is cancelled in accordance with its terms; and
 - (iii) the Board determines (acting reasonably) that it is impossible for the Vesting Condition for that Performance Right to be met.
- (b) If the Holder is prohibited from exercising vested Performance Rights under any applicable law on or in the ten (10) business days before the Expiry Date, the Expiry Date for the Performance Rights is automatically extended to the date that is five (5) business days after the Holder is no longer prohibited under any applicable law from exercising the Performance Rights.

5 Vesting Conditions

- (a) The Performance Rights are subject to the following conditions, each of which constitutes a Vesting Condition:

Number of Performance Rights	Milestones	Vesting Conditions	Milestone Date	Expiry Date
3,000,000	Tranche 1: Upon financing, mill construction commencement and mining commencement	<ul style="list-style-type: none"> Construction – Commencement of concrete foundation pours for major Youanmi Gold Project (Youanmi) mill components; Mining – Mobilisation of mining labour force and completion of 300m of development and/or rehabilitation in relation to the Youanmi ore system; and Financing – Youanmi fully financed through to the projected first pour of gold, 	31 December 2026	31 December 2028

		in line with the DFS schedule		
3,000,000	Tranche 2: Upon pouring first gold from commissioned mill	<ul style="list-style-type: none"> First gold pour at Youanmi; Commissioned mill – Youanmi mill operating at greater than 90% of planned throughput and at/or above design plant availability, as defined in the DFS, with operation of at least 20 consecutive days; and Youanmi Operations, inclusive of a fully operational Albion circuit (or equivalent), achieving recoveries consistent with DFS specifications. 	31 December 2027	31 December 2029
3,000,000	Tranche 3: Mill and Underground mine production within first 12 months following achievement of Tranche 2 conditions.	<ul style="list-style-type: none"> Production metrics – Youanmi mill running at planned throughput capacity and availability, defined under the DFS, and Youanmi underground mine operating with outputs at least 85% of planned mining rates; Youanmi mill production rate – 90 days continuous production, where steady outputs of at least 90% of DFS throughput rates are achieved, including 30 consecutive days of operation averaging 85% of DFS gold production rate; and Youanmi Underground production rate – 90 days continuous production, where tonnage and grade outputs of at least 85% of DFS rates are achieved. 	31 December 2028	31 December 2030

- (b) Other than for reasons outside the control of the holder (such as redundancy, death or mental incapacity), the holder must remain employed or engaged with the Company up to, and including, the relevant milestone date.
- (c) Each tranche of Performance Rights will vest and become exercisable by the Holder on the satisfaction of all the relevant Vesting Conditions, on or before the Milestone Date. The Company will notify the Holder upon the satisfaction of a Vesting Condition (**Vesting Notification**).

6 Exercise of Performance Rights

- (a) Performance Rights may only be exercised when the Company has issued a Vesting Notification to the Holder.
- (b) At any time after the Company has issued a Vesting Notification to the Holder until the Expiry Date, the Holder may issue a written exercise notice (**Exercise Notice**) to the Company specifying how many vested Performance Rights he wishes to exercise.
- (c) Following the issuing of a valid Exercise Notice by the Holder, the Company must allot and issue, or transfer, the number of Shares for which the Holder is entitled to acquire as a result of exercising his vested Performance Rights, in accordance with clause 8.

7 Lapse of Performance Rights

7.1 Definitions

In this clause 7:

- (a) **Bad Leaver** means the Holder ceases employment or engagement with the Company and does not meet the Good Leaver criteria;
- (b) **Good Leaver** means the Holder ceases employment or engagement with the Company in any of the following circumstances:
 - (i) the Holder and Board have agreed in writing that the Holder has entered into bona fide retirement;
 - (ii) the Holder and the Board have agreed in writing that the Holder's role has been made redundant;
 - (iii) the Holder is resigning after at least two (2) years of service to the Company;
 - (iv) the Holder's role has been terminated without cause;
 - (v) the Board has determined that:
 - (A) Special Circumstances apply to the Holder; or
 - (B) the Holder is no longer able to perform their duties under their engagement or employment arrangements with the Company due to poor health, injury or disability;
 - (vi) the Holder's death; or
 - (vii) any other circumstance determined by the Board in writing.
- (c) **Nominated Beneficiary** means the Holder's beneficiary, personal representative or successor in title.
- (d) **Special Circumstances** means the total and permanent disablement of the Holder such that the Holder is unlikely ever to engage in any occupation for which the Holder is reasonably qualified by education, training or experience.

7.2 Where Performance Rights lapse

Subject to clause 7.3 or the Board deciding otherwise in its absolute discretion, the Performance Rights shall automatically lapse and be cancelled for no consideration on the earliest to occur of the following:

- (a) where the Holder is a Bad Leaver in accordance with clause 7.4;
- (b) if the applicable Vesting Conditions are not achieved by the Milestone Date;
- (c) if the Board determines in its reasonable opinion that the applicable Vesting Conditions have not been met or cannot be met prior to the Milestone Date; or
- (d) the Expiry Date.

7.3 Good Leaver

- (a) Subject to clause 7.3(b), where the Holder becomes a Good Leaver, the Holder will be entitled to keep their vested and unvested Performance Rights provided that, in relation to unvested Performance Rights, the Board may at any time, in its sole and absolute discretion, do one or more of the following:
 - (i) permit unvested Performance Rights held by the Good Leaver to vest;
 - (ii) permit such unvested Performance Rights held by the Good Leaver or his nominee(s) to continue to be held by the applicable holder, with the Board having the discretion to amend the Vesting Conditions; or
 - (iii) determine that the unvested Performance Rights will lapse.
- (b) Where the Holder is a Good Leaver due to a Special Circumstance, the Nominated Beneficiary shall be entitled to benefit from any exercise of the above discretionary powers by the Board.

7.4 Bad Leaver

Where the Holder who holds Performance Rights becomes a Bad Leaver, unless the Board determines otherwise, in its sole and absolute discretion, all unvested Performance Rights will lapse.

7.5 Discretion of Board

The Board may decide to allow the Holder to retain any Performance Rights regardless of any failure by the Holder to satisfy in part or in full the Vesting Conditions in which case, the Board may:

- (a) determine that any or all of those retained Performance Rights shall vest and the corresponding Shares shall be provided to the Holder; or
- (b) determine new Vesting Conditions (as applicable) for those retained Performance Rights and notify the Holder of the determination as soon as practicable.

7.6 Determination Whether to Exercise Discretion

The Board may have regard to whatever matters it thinks reasonable when making a decision about the matters in clause 7.5 with respect to the Holder.

8 Tax Deferral

For the avoidance of doubt, Subdivision 83A-C of the *Income Tax Assessment Act 1997* (Cth), which enables tax deferral on performance rights, applies (subject to the conditions in that Act) to the Performance Rights.

9 Timing of the Issue of Shares and Quotation

- (a) Following receipt of an Exercise Notice, within twenty (20) business days after the later of the following:
 - (i) the receipt of the Exercise Notice; and
 - (ii) when excluded information in respect of the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,
 the Company will:
 - (iii) allot and issue the Shares pursuant to the vesting of the Performance Rights;
 - (iv) as soon as reasonably practicable and if applicable, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - (v) if the Company is listed on ASX, apply for official quotation of Shares issued pursuant to the vesting of the Performance Rights.

- (b) The Shares issued upon exercise of a Performance Rights will rank equally in all respects with the Company's fully paid ordinary shares then on issue

10 Reorganisation

If there is any reorganisation of the issued share capital of the Company, the terms of Performance Rights and the rights of the Holder who holds such Performance Rights will be varied, including an adjustment to the number of Performance Rights, in accordance with the Listing Rules that apply to the reorganisation at the time of the reorganisation.

11 Holder Rights

The Holder who holds Performance Rights is not entitled to:

- (a) notice of, or to vote or attend at, a meeting of the Shareholders; or
- (b) receive any dividends declared by the Company,
- (c) participate in any new issues of securities offered to Shareholders during the term of the Performance Rights, or
- (d) cash for the Performance Rights or any right to participate in surplus assets or profits of the Company on winding up,

unless and until the Performance Rights are satisfied and the Holder holds Shares.

12 Pro Rata Issue of Securities

- (a) If during the term of any Performance Right, the Company makes a pro rata issue of securities to the Shareholders by way of a rights issue, the Holder shall not be entitled to participate in the rights issue in respect of any Performance Rights, only in respect of Shares issued in respect of vested Performance Rights.
- (b) The Holder will not be entitled to any adjustment to the number of Shares they are entitled to or adjustment to any Vesting Conditions which is based, in whole or in part, upon the Company's share price, as a result of the Company undertaking a rights issue.

13 Adjustment for Bonus Issue

If, during the term of any Performance Right, securities are issued pro rata to Shareholders by way of bonus issue, the number of Shares which the Holder is entitled to receive when they exercise the Performance Right, shall be increased by that number of securities which the Holder would have been issued if the Performance Rights then held by the Holder had been validly exercised and the resulting Shares had been held immediately prior to the record date for the bonus issue.

14 Change of Control

- (a) For the purposes of these terms and conditions, a Change of Control Event occurs if:
 - (i) the Company announces that its Shareholders have at a Court convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement (excluding a merger by way of scheme of arrangement for the purposes of a corporate restructure (including change of domicile, or any reconstruction, consolidation, sub-division, reduction or return) of the issued capital of the Company) and the Court, by order, approves the scheme of arrangement;
 - (ii) a Takeover Bid:
 - (A) is announced;
 - (B) has become unconditional; and

- (C) the person making the Takeover Bid has a Relevant Interest in fifty percent (50%) or more of the issued Shares;
- (iii) any person acquires a Relevant Interest in fifty and one-tenths percent (50.1%) or more of the issued Shares by any other means; or
- (iv) the announcement by the Company that a sale or transfer (in one transaction or a series of related transactions) of the whole or substantially the whole of the undertaking and business of the Company has been completed.
- (b) Where a Change of Control Event has (i) occurred or (ii) been announced by the Company, all granted Performance Rights which have not yet vested or lapsed shall automatically and immediately vest, regardless of whether any Vesting Conditions have been satisfied.
- (c) For the purposes of these terms and conditions **Takeover Bid** and **Relevant Interest** have the meaning given to those terms under section 9 of the Corporations Act.

15 Quotation

The Company will not seek official quotation of any Performance Rights.

16 Performance Rights Not Property

The Holder's Performance Rights are personal contractual rights granted to the Holder only and do not constitute any form of property.

17 No Transfer of Performance Rights

A Performance Right is not transferable.