



ROX RESOURCES LIMITED
ACN 107 202 602

SHORT FORM PROSPECTUS

For an offer to transfer Cannon Shares to Shareholders of Rox Resources Limited (Rox) pursuant to an equal capital reduction by way of an In-specie Distribution contained in the Capital Reduction Resolution in the Notice of Meeting dated 26 May 2021 and to facilitate secondary trading of those shares.

This Prospectus is a short form prospectus prepared in accordance with section 712 of the Corporations Act. This Prospectus does not of itself contain all the information that is generally required to be detailed in a document of this type, but refers to documentation lodged with ASIC, the contents of which are therefore taken to be included in this Prospectus.

This is an important document and requires your immediate attention. It should be read in its entirety along with the Notice of Meeting incorporated by reference. Please consult your professional adviser(s) if you have any questions about this document.

Rox Directors consider an investment in Cannon Shares that will be distributed and transferred under this Prospectus and the Capital Reduction Resolution, to be speculative.

This Prospectus is not for an initial public offering of Cannon Shares. In order for Cannon Shares to commence trading on ASX, Cannon will be required to lodge a separate prospectus in accordance with section 710 of the Corporations Act.

This Prospectus may not be released to US wire services or distributed in the United States.

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1 Important Notes

1.1 General

This short form prospectus (**Prospectus**) is dated 26 May 2021 and a copy of this Prospectus was lodged with ASIC on that date. ASIC and ASX take no responsibility for the content of this Prospectus, or the merits of the investment to which this Prospectus relates.

No Cannon Shares may be offered or transferred on the basis of this Prospectus later than 13 months after the date of this Prospectus, being the expiry date of this Prospectus.

Rox notes that the Cannon Shares will not be quoted on the ASX pursuant to this Prospectus.

In order for the Cannon Shares to commence trading on the ASX, Cannon will be required to lodge a prospectus in accordance with section 710 of the Corporations Act (**Cannon Prospectus**).

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

No person is authorised to give information or to make any representation in connection with this Prospectus which is not contained in this Prospectus. Any information or representation not contained in this Prospectus may not be relied on as having been authorised by Rox in connection with this Prospectus.

This Prospectus, including the Notice of Meeting which is incorporated by reference into this Prospectus, is important and should be read in its entirety. If you do not fully understand this Prospectus or are in any doubt as to how to deal with it, you should consult your professional adviser immediately. Investment in the Cannon Shares that are the subject of this Prospectus should be considered speculative.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. In making representations in this Prospectus, regard has been had to the fact that Rox is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to Rox Shareholders and professional advisers whom Rox Shareholders may consult.

If you are uncertain about the terms and conditions of the Offer, you should seek the advice of an appropriately qualified financial adviser.

Defined terms and abbreviations used in this Prospectus are detailed in Section 7.

1.2 Short Form Prospectus

This Prospectus is a short form prospectus issued in accordance with section 712 of the Corporations Act. This means this 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 the Notice of Meeting lodged with ASIC on 26 May 2021.

In referring to the Notice of Meeting, Rox:

- (a) identifies the Notice of Meeting as being relevant to the offer of Cannon Shares under this Prospectus and contains information that will provide Rox Shareholders and their professional advisers to assist them in making an informed assessment of:
 - (i) the rights and liabilities attaching to the Cannon Shares;

- (ii) the assets, liabilities and financial position and prospects of Cannon;
- (b) refers Rox Shareholders and their professional advisers to this Prospectus which summarises the material information in the Notice of Meeting deemed to be incorporated in this Prospectus;
- (c) informs Rox Shareholders and their professional advisers that they are able to obtain, free of charge, a copy of the Notice of Meeting or the Constitution by contacting Rox at its registered office during normal business hours during the period of the Offer; and
- (d) advises that the information in the Notice of Meeting will be primarily of interest to Rox Shareholders and their professional advisers or analysts.

1.3 Exposure Period

The Corporations Act prohibits Rox from transferring the Cannon Shares in the seven day period after the date of lodgement of this Prospectus. This period may be extended by ASIC by up to a further seven days. This period is an exposure period to enable this Prospectus to be examined by market participants prior to the transfer of the Cannon Shares. Given the General Meeting will be held on 28 June 2021 and the In-specie Distribution will occur some time after that date, the exposure period will have expired by the time the In-specie Distribution occurs.

1.4 Forward Looking Statements

This Prospectus may contain forward-looking statements which are identified by words such as 'may', 'should', 'will', 'expect', 'anticipate', 'believes', 'estimate', 'intend', 'scheduled' or 'continue' or other similar words. Such statements and information are subject to risks and uncertainties and a number of assumptions, which may cause the actual results or events to differ materially from the expectations described in the forward looking statements or information.

Whilst Rox considers the expectations reflected in any forward looking statements or information in this Prospectus are reasonable, no assurance can be given that such expectations will prove to be correct. The risk factors outlined in Schedule 5 of the Notice of Meeting, as well as other matters not yet known to Rox or not currently considered material to Cannon, may cause actual events to be materially different from those expressed, implied or projected in any forward looking statements or information. Any forward looking statement or information contained in this Prospectus is qualified by this cautionary statement.

2 The Offer

2.1 Terms and Conditions of the Offer

The terms and conditions of the Offer are detailed in the Notice of Meeting accompanying this Prospectus. The Capital Reduction Resolution of the Notice of Meeting is as follows:

*“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 given in the Explanatory Memorandum accompanying this Notice.”

Pursuant to the Capital Reduction Resolution, Rox is inviting Rox Shareholders to vote on an equal reduction of capital by way of an In-specie Distribution of Cannon Shares to Eligible Rox Shareholders on a pro rata basis. This represents:

- (a) 1 Cannon Share for approximately every 64 Rox Shares on a pre-Consolidation basis;
or
- (b) 1 Cannon Share for approximately every 4 Rox Shares on a post-Consolidation basis,

held by Eligible Rox Shareholders on the In-specie Record Date (rounded down to the nearest whole Cannon Share).

The Demerger 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;
- (a) **(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;
- (b) **(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;
- (c) **(Capital Raising)** Cannon raising \$6,000,000 under the Priority Offer pursuant to the Cannon Prospectus;
- (d) **(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
- (e) **(No regulatory intervention)** no regulatory intervention occurring that would otherwise prevent the Demerger from proceeding.

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

Based on ASIC Regulatory Guide 188, the invitation to vote on the Capital Reduction Resolution of the Notice of Meeting constitutes an offer to transfer the Cannon Shares for the purposes of section 707(3) of the Corporations Act. Accordingly, Rox has prepared this Prospectus.

Ineligible Rox Shareholders will have their pro rata entitlement of Cannon Shares sold by 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.

As the return of capital is being represented and satisfied by the In-specie Distribution and security prices may vary from time to time (assuming a liquid market is available), the net proceeds of sale to such Shareholders may be more or less than the notional dollar value of the reduction of capital. It will be the responsibility of each Rox Shareholder to comply with the laws to which they are subject to in the jurisdictions in which they are resident.

The release, publication or distribution of this Prospectus 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 Prospectus 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 Prospectus has been prepared in accordance with Australian law and is subject to Australian disclosure requirements. The information contained in the Prospectus may not be the same as that which would have been disclosed if the Prospectus had been prepared in accordance with the laws and regulations of a jurisdiction outside of Australia.

2.2 Effect of the Offer on Rox

The effect of the Offer on Rox will be:

- (a) Rox ceasing to own approximately 36,450,000 Cannon Shares (being the 45,000,000 Cannon Shares to be issued to it under the Demerger Agreement, less the approximately 8,550,000 Cannon Shares to be retained by Rox);
- (b) Rox's share capital will be reduced by the amount to be assessed by the Rox Directors as the market value of approximately 36,450,000 Cannon Shares less a Demerger Dividend (if any); and
- (c) Eligible Rox Shareholders that are registered on the In-specie Record Date will receive:
 - (i) one Cannon Share for approximately every 64 Rox Shares held on a pre-Consolidation basis; or
 - (ii) one Cannon Share for approximately every 4 Rox Shares held on a post-Consolidation basis.

2.3 Effect of the Offer on Cannon

The effect of the Offer on Cannon will be that the 45,000,000 Cannon Shares to be held by Rox post-completion of the Demerger Agreement will no longer be held by a sole shareholder and instead approximately 36,450,000 Cannon Shares will be transferred to Eligible Rox Shareholders that are registered on the In-specie Record Date or the Nominees (with approximately 8,550,000 Cannon Shares to be retained by Rox).

2.4 Action required by Rox Shareholders

No action is required by Rox Shareholders under this Prospectus.

Should Rox Shareholder approval be obtained for the In-specie Distribution, the In-Specie Cannon Shares will be transferred to Rox Shareholders in accordance with the terms detailed in the Notice of Meeting.

If you have any queries regarding this Prospectus, please contact Rox on (08) 9226 0044.

3 Information Deemed to be Incorporated in this Prospectus

3.1 Short Form Prospectus

This Prospectus is a short form prospectus issued in accordance with section 712 of the Corporations Act. This means that this Prospectus does not of itself contain all the information that is generally required to be given in a document of this type, however, it incorporates by reference information contained in a document that has been lodged with ASIC.

The Notice of Meeting contains all the information that Rox Shareholders require in relation to the Demerger and the Notice of Meeting in its entirety is deemed to be incorporated in this Prospectus.

The material provisions of the Notice of Meeting are summarised below in Section 3.2 of this Prospectus and will primarily be of interest to Rox Shareholders and their professional advisers.

A copy of the Notice of Meeting has been sent to Rox Shareholders with this Prospectus. However, Rox Shareholders and their professional advisers may also obtain, free of charge, a copy of the Notice of Meeting by contacting Rox at its registered office during normal business hours.

3.2 **Summary of Material Provisions of Notice of Meeting**

The material provisions of the Notice of Meeting are summarised below. The Sections and Schedules referred to below are a reference to Sections and Schedules (respectively) in the Explanatory Memorandum to the Notice of Meeting:

(a) **Section 1.7 – Indicative Timetable**

This Section sets out the indicative timetable for the In-specie Distribution.

(b) **Section 5 – Background to Resolutions 4 and 5**

(i) **Section 5.1 – Background and rationale for the Demerger**

This Section provides an overview of the Demerger, including the Internal Restructure and In-Specie Distribution and information on Rox's rationale for undertaking the Demerger.

(ii) **Section 5.2 – Steps to implement Demerger**

This Section provides an overview of the steps to implement the Demerger.

(iii) **Section 5.3 – Demerger Conditions**

This Section provides an overview of the Demerger Conditions.

(iv) **Section 5.4 – Current structure of Rox**

This Section provides an overview of current structure of Rox.

(v) **Section 5.5 – Proposed structure of Rox and Cannon**

This Section provides an overview of the proposed structure of Rox and Cannon.

(vi) **Section 5.6 – Plans for Rox following completion of the In-specie Distribution**

This Section details Rox's anticipated future plans if the In-specie Distribution is completed.

(vii) **Section 5.7 – Plans for Rox if In-specie Distribution is not approved**

This Section details Rox's anticipated future plans if the In-specie Distribution is not completed.

(viii) **Section 5.8 and Schedules 3 and 4 – Financial information for Rox and pro-forma statement of financial position for Cannon**

Schedule 3 details 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 detailed in Schedule 4 of the Notice.

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- (ix) **Section 5.9 – Advantages and disadvantages of the In-specie Distribution**
- This Section outlines the principal advantages and disadvantages to Rox Shareholders of the In-specie Distribution.
- (x) **Sections 5.10 and 5.11 – Capital Reduction and In-specie Distribution of Cannon Shares and effect of In-specie Distribution on Shareholders**
- These Sections provide an overview of the Capital Reduction and details the effect of the Capital Reduction on Rox Shareholders.
- (xi) **Section 5.12 – Directors' Recommendations**
- This Section details the Directors' recommendations for the Capital Reduction Resolution and Resolution 5 of the Notice of Meeting.
- (c) **Section 6 – Background to Rox and Gold Assets**
- (i) **Sections 6.1 and 6.2 – Gold Assets**
- These Sections provide an overview of the Gold Assets to remain with Rox following the Demerger.
- (ii) **Section 6.3 – Information concerning Rox Shares**
- This Section confirms the rights attaching to the Rox Shares will not alter as a result of the Demerger and provides share price information for Rox Shares.
- (iii) **Section 6.4 – Disclosure to ASX**
- This Section sets out that as an ASX listed entity, 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.
- (d) **Section 7 – Background to Cannon, Cannon Priority Offer and Nickel Assets**
- (i) **Section 7.1 – Priority Offer**
- This Section gives a description of the Priority Offer.
- (ii) **Section 7.2 – Plans for Cannon following completion of the In-specie Distribution and Priority Offer**
- This Section details Cannon's anticipated future plans following completion of the In-specie Distribution and Priority Offer.
- (iii) **Sections 7.3 to 7.5 (inclusive) – Nickel Assets**
- This Section provides a summary of the Nickel Assets and the planned exploration budget for the Nickel Assets.
- (iv) **Section 7.6 – Cannon's Board and Key Management Personnel**
- This Section sets out information about Cannon's proposed board of directors and key management personnel.
- (v) **Section 7.7 – Information concerning Cannon Shares**
- This Section contains a summary of the more significant rights and liabilities attaching to Cannon Shares.

(e) **Section 8 – Additional Information for Shareholders**

(i) **Sections 8.1 to 8.3 (inclusive) – Current capital structure of Rox, post-Consolidation capital structure of Rox and indicative capital structure of Cannon**

These Sections detail the current and post-Consolidation capital structure of Rox and the indicative capital structure of Cannon post-completion of the In-specie Distribution and Priority Offer.

(ii) **Section 8.5 – Effect of Shareholder approval**

This Section outlines the effect of the proposed Capital Reduction on Rox Shareholders which is that eligible Rox Shareholders registered on the In-specie Record Date will receive a pro rata in-specie distribution of Cannon Shares. This Section also outlines the treatment of overseas Rox Shareholders and the effect of the In-specie Distribution on existing Rox Options.

(iii) **Section 8.6 – Foreign Jurisdictions**

This Section provides information on the restrictions on offering Cannon Shares in jurisdictions outside Australia.

(iv) **Section 8.7 – Taxation**

This Section provides an overview of the taxation implications for Rox's Shareholders and Rox itself, and notes Rox has sought a class ruling from the ATO with respect to Demerger Relief.

To the maximum extent permitted by law, Rox, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences for Rox Shareholders.

(v) **Section 8.8 – Expenses of Demerger and Priority Offer**

This Section contains the expenses of the Demerger and Priority Offer.

(vi) **Section 8.9 – Section 256C of the Corporations Act**

This Section provides a statement that the Rox 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.

(vii) **Section 8.10 and Schedule 5 – Risk Factors**

This Section and Schedule 5 list a number of specific and general risks that may have a material effect on the financial position and performance of Cannon and the value of Cannon Shares.

(viii) **Section 8.11 – Rox Directors' interests**

This Section details the number of securities in Rox which Rox Directors have an interest in at the date of the Notice of Meeting and the number of Cannon Shares they are likely to receive if the In-specie Distribution is completed.

(ix) **Section 8.12 – ASX Confirmations**

This Section sets out the in-principle confirmations Cannon has received from ASX in relation to the application of escrow restrictions on the In-Specie Cannon Shares.

(x) **Section 8.13 – Competent Person's Statement**

This Section contains a competent person statement with respect to exploration results and mineral resource statements for the Gold Assets and Nickel Assets.

(xi) **Sections 8.14 and 8.15 – Lodgement with ASIC and Other Material Information**

These Sections provide information on the lodgement of the Notice of Meeting with ASIC and sets out a confirmation from Rox in respect of the information provided in the Notice of Meeting.

(f) **Schedule 6**

This Schedule provides a summary of Cannon's material contracts including the Demerger Agreement.

(g) **Schedule 7**

This Schedule contains the schedule of the Tenements comprising the Nickel Assets.

(h) **Schedule 8**

This Schedule contains the Independent Technical Assessment Report on the Tenements.

(i) **Schedule 9**

This Schedule contains the Solicitor's Report on the Tenements.

4 Additional Information

4.1 Interests of Cannon Directors

(a) Other than as detailed elsewhere in this Prospectus or the Notice of Meeting:

(i) no Cannon Director holds, or during the last two years before lodgement of this Prospectus with the ASIC, held, an interest in:

(A) the formation or promotion of Cannon;

(B) property acquired or proposed to be acquired by Cannon in connection with its formation or promotion or the Offer; or

(C) the Offer; and

(ii) except as detailed in this Prospectus or the Notice of Meeting, no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any Cannon Director either to induce them to become, or to qualify, as a Cannon Director or otherwise for services rendered by them in connection with the formation or promotion of Cannon or the Offer.

4.2 Remuneration of Cannon Directors

The annual remuneration of Cannon's Chief Executive Officer and the Directors, following the implementation of the Demerger and completion of the Priority Offer will be as follows:

Name	Remuneration (excluding superannuation entitlements)
Stephen Lynn	\$260,000

Trevor Benson	\$60,000
Alex Passmore	\$45,000
Richard Bevan	\$45,000

4.3 Interests of Advisors

Other than as detailed below or elsewhere in this Prospectus or the Notice of Meeting, no promoter of Cannon or person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus has, or had within two years before lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of Cannon;
- (b) any property acquired or proposed to be acquired by Cannon in connection with its formation or promotion or the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of those persons for services rendered in connection with the formation or promotion of Cannon or the Offer.

Thomson Geer has acted as the solicitors to Rox in relation to the Offer. Rox estimates it will pay Thomson Geer approximately \$150,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with the ASIC, Thomson Geer has received approximately \$276,000 in fees from Rox.

Valuation and Resource Management Pty Ltd has acted as the Independent Technical Specialist and has prepared the Independent Technical Assessment Report that is included in this Prospectus (incorporated by reference). Valuation and Resource Management Pty Ltd will be paid a fee of approximately \$40,000 (excluding GST) for preparing the Independent Technical Assessment Report, which will also be included in the Cannon Prospectus.

4.4 Substantial Cannon Shareholders

As at the date of this Prospectus, Cannon is a wholly owned subsidiary of Rox.

Based on the information known as at the date of this Prospectus, and assuming the proposed Priority Offer is successfully completed, the following persons will have an interest in 5% or more of the Cannon Shares on issue. Shareholders should note the details below do not include any Rox Shareholder who participates in the Priority Offer.

Name	%
Rox Resources Limited	11.4
Hawke's Point (RRL) L.P.	6.55

4.5 Litigation

To the knowledge of Rox Directors, as at the date of this Prospectus, Cannon is not involved in any legal proceedings, and Rox Directors are not aware of any legal proceedings pending or threatened against Cannon.

4.6 Dividend Policy

Rox does not expect Cannon to declare any dividends in the near future as its focus will primarily be the Nickel Assets.

Any future determination as to the payment of dividends by Cannon will be at the discretion of the Cannon Directors and will depend on matters such as the availability of distributable earnings, the operating results and financial condition of Cannon, future capital requirements and general business and other factors considered relevant by the Cannon Directors. No assurances can be given by Rox Directors in relation to the payment of dividends by Cannon.

5 Consents

Each of the parties referred to in this Section:

- (a) have given the following consents in accordance with the Corporations Act which have not been withdrawn as at the date of lodgement of this Prospectus with ASIC;
- (b) does not make, or purport to make, any statement in this Prospectus, or any statement on which a statement in this Prospectus is based, other than those referred to in this section;
- (c) has not authorised or caused the issue of this Prospectus or the making of the Offer; and
- (d) makes no representations regarding, and to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any statements in, or omissions from, any part of this Prospectus other than a reference to its name and a statement and/or any report (if any) included in this Prospectus with the consent of that party as specified in this section.

Canaccord Genuity (Australia) Limited has given its written consent to being named as a Joint Lead Manager to the Priority Offer in this Prospectus in the form and context in which it is named and to the incorporation by reference into this Prospectus of the Notice of Meeting in the form and context in which it is incorporated, and to all references to the Notice of Meeting in this Prospectus in the form and context in which they appear.

Taylor Collison Limited has given its written consent to being named as a Joint Lead Manager to the Priority Offer in this Prospectus in the form and context in which it is named and to the incorporation by reference into this Prospectus of the Notice of Meeting in the form and context in which it is incorporated, and to all references to the Notice of Meeting in this Prospectus in the form and context in which they appear.

Thomson Geer has given its written consent to be named in this Prospectus as solicitors to Rox in relation to the Prospectus in the form and context in which it is named and to the incorporation by reference into this Prospectus of the Notice of Meeting in the form and context in which it is incorporated, and to all references to the Notice of Meeting in this Prospectus in the form and context in which they appear.

Thomson Geer has given its written consent to be named as tenement solicitor to Cannon in this Prospectus in the form and context in which it is named and to the inclusion of Solicitor's Report on Tenements (and each reference to it) in the Notice of Meeting in the form and context in which it is included and to all references in the Notice of Meeting to the Solicitor's Report on Tenements and Thomson Geer in the form and context in which they appear.

Valuation and Resource Management Pty Ltd has given its written consent to being named as the Independent Technical Specialist to Rox and to the inclusion of the Independent Technical Assessment Report in Schedule 8 of the Notice of Meeting in the form and context in which the report is included.

Cannon has given its written consent to be named in this Prospectus in the form and context in which it is named and to the incorporation by reference into this Prospectus of the Notice of

Meeting in the form and context in which it is incorporated and to the inclusion in this Prospectus of all information and statements relating to, made by, or said to be based on statements by, Cannon, in each case in the form and context as they appear in this Prospectus (as applicable).

Mr Trevor Benson, Mr Alex Passmore and Mr Richard Bevan have given their written consent to being named as directors of Cannon in this Prospectus.

6 Directors authorisation

This Prospectus is issued by Rox and its issue has been authorised by a resolution of Rox Directors.

In accordance with section 720 of the Corporations Act, each Rox Director has consented to the lodgement of this Prospectus with the ASIC and has not withdrawn that consent.

A handwritten signature in black ink, appearing to read 'A Passmore', is written over a light grey circular watermark.

Alex Passmore

Managing Director

Dated: 26 May 2021

7 Definitions

A\$ or \$ means Australian dollars.

ASIC means 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.

Board means the board of Rox Directors unless the context indicates otherwise.

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

Cannon Director means a current director of Cannon.

Cannon Prospectus has the meaning given in Schedule 1 to the Notice of Meeting.

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

Cannon Shareholder means a holder of a Cannon Share.

Capital Reduction means the equal reduction of capital of Rox proposed to be satisfied by the In-specie Distribution and transfer to Eligible Rox Shareholders (in proportion to their holdings of Shares) of 81% of the issued share capital of Cannon (being approximately 36,450,000 Cannon Shares).

Capital Reduction Resolution means Resolution 4 of the Notice of Meeting to be put to Rox Shareholders at the General Meeting to approve the Capital Reduction.

Constitution means Rox's constitution as at the date of this Prospectus.

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

Demerger means the Internal Restructure and In-specie Distribution.

Demerger Agreement means the Demerger Agreement between Rox and Cannon as summarised in Schedule 5 to the Notice of Meeting.

Demerger Conditions has the meaning given in Schedule 1 to the Notice of Meeting.

Demerger Dividend has the meaning given in Schedule 1 to the Notice of Meeting.

Demerger Relief has the meaning given in Schedule 1 to the Notice of Meeting.

Directors means the directors of Rox as at the date of this Prospectus.

Eligible Rox Shareholder has the meaning given in Schedule 1 to the Notice of Meeting.

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

General Meeting or **Meeting** means the meeting that is the subject of the Notice of Meeting.

Gold Assets has the meaning given in Schedule 1 to the Notice of Meeting.

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

In-specie Distribution means the proposed in-specie distribution of In-Specie Cannon Shares by Rox to eligible Rox Shareholders.

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

Ineligible Rox Shareholders has the meaning given in Schedule 1 to the Notice of Meeting.

Internal Restructure means the proposed transfer of the Nickel Assets from Rox to Cannon.

Joint Lead Managers has the meaning given in Schedule 1 to the Notice of Meeting.

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

Nominees has the meaning given in Schedule 1 to the Notice of Meeting.

Notice of Meeting or **Notice** means the Notice of General Meeting and Explanatory Memorandum of Rox dated 26 May 2021.

Nickel Assets has the meaning given in Schedule 1 to the Notice of Meeting.

Offer means the offer of In-Specie Cannon Shares pursuant to the Notice of Meeting.

Official List means the official list of ASX.

Priority Offer has the meaning set out in Schedule 1 to the Notice of Meeting.

Prospectus means this short form prospectus prepared in accordance with section 712 of the Corporations Act and dated 26 May 2021.

Rox means Rox Resources Limited (ACN 107 202 602).

Rox Option means an option to acquire a Rox Share.

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

Schedule means a schedule of the Notice of Meeting.

Section means a section of this Prospectus, the Notice of Meeting or the Corporations Act, as the context requires.

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

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

Tenements has the meaning given in Schedule 1 to the Notice of Meeting.

