

ASX ANNOUNCEMENT

RRL1761D

15 July 2021

Youanmi Project Update July 2021

Highlights:

- **D10 ripping trial completed to establish “Free Dig Status” for mining to 60 metres below surface in the Grace area**
- **Surface caprock removed to expose high-grade Grace mineralisation for mapping and sampling**
- **Program will provide key data to evaluate early-stage mining opportunity at Grace as part of Youanmi Feasibility Study**
- **Four drill rigs now on site continuing both resource and exploration drilling**

ROX RESOURCES LIMITED

ASX: RXL

Rox Resources Limited (ASX: RXL) is an Australian listed company with advanced gold and nickel projects in Western Australia: the Youanmi Gold Project, Mt Fisher Gold project, and the Fisher East and Collurabbie Nickel projects.

DIRECTORS

Mr Stephen Dennis
Chairman

Mr Alex Passmore
Managing Director

Dr John Mair
Non-Executive Director

Shares on Issue	157.6m
Share Price	\$0.38
Market Cap.	\$60.0m
Cash & Receivables	\$18.1m

(incl \$3.75m receivable, cash as at 31 Mar 2021)

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West Australian focused gold exploration and development company, Rox Resources Limited (“Rox” or “the Company”) (ASX: RXL), in conjunction with its joint venture partner Venus Metals Corporation Limited (ASX: VMC) is pleased to provide an update on activities at the Youanmi Gold Project, and in particular the high-grade, near surface Grace deposit, located within the OYG JV area (Rox 70% and Manager, VMC 30%).

Aside from its significant investment in drilling the OYG JV has also been conducting a range of activities to evaluate early stage mining opportunities at the near surface, high-grade Grace deposit. This will feed into the broader Youanmi Feasibility Study that has been initiated following the significant resource upgrade for the Youanmi Project (ASX release 23 June 2021). To drive the Feasibility work programs Rox has recently appointed a highly experienced Mine Planning Engineer.

Figure 1: Grace South End – caprock removed and Ditchwitch trenching underway.



Figure 2: Summary of the many activities occurring recently at Grace



Managing Director Alex Passmore commented:

“We are very pleased to provide this update on some of the many ancillary exploration and development activities that are happening at Youanmi and to report that the organisation is building out a highly capable team to deliver Feasibility studies on the restart of mining at Youanmi, and ultimately transitioning into development.

The Grace orebody has been confirmed as shallow and free-digging in nature. These results support the concept that Grace will be an early contributor to production and cash flow upon the development of the Youanmi project.”

Understanding the Grace Deposit

The Grace Deposit is one of several north-south trending lines of mineralisation that occur within accommodation structures within the Youanmi Granite that are related to geological displacement and emplacement of gold mineralisation at the Youanmi gold project.

Gold mineralisation at Grace is hosted in quartz-sericite altered shear zones within granite. It is characterised by high grade, semi-continuous to discontinuous ore shoots.

To better understand the controls on mineralisation and the style and continuity of structure the Company resolved to cut a “window” into the top of the mineralisation by removing the cap rock in the south end of Grace (with an approved POW for that purpose).

Ditchwitch trenches have been cut to: (1) gain further knowledge from long face exposures and (2) yield samples for gravity test work and other grade estimation analysis. Free gold is readily panned from trenches where mineralised zones occur.

Rox’s strategy of continuing development of Grace is based on first understanding in detail the more densely drilled and now cut southern area near the Youanmi Main Pit, and applying the knowledge to the rest of the less densely drilled areas to the north (Figures 3 and 4). Grace presents as an early opportunity for gold production within the overall development plan for Youanmi.

Figure 3: Two section views comparing drilling density between the south and north parts of Grace.

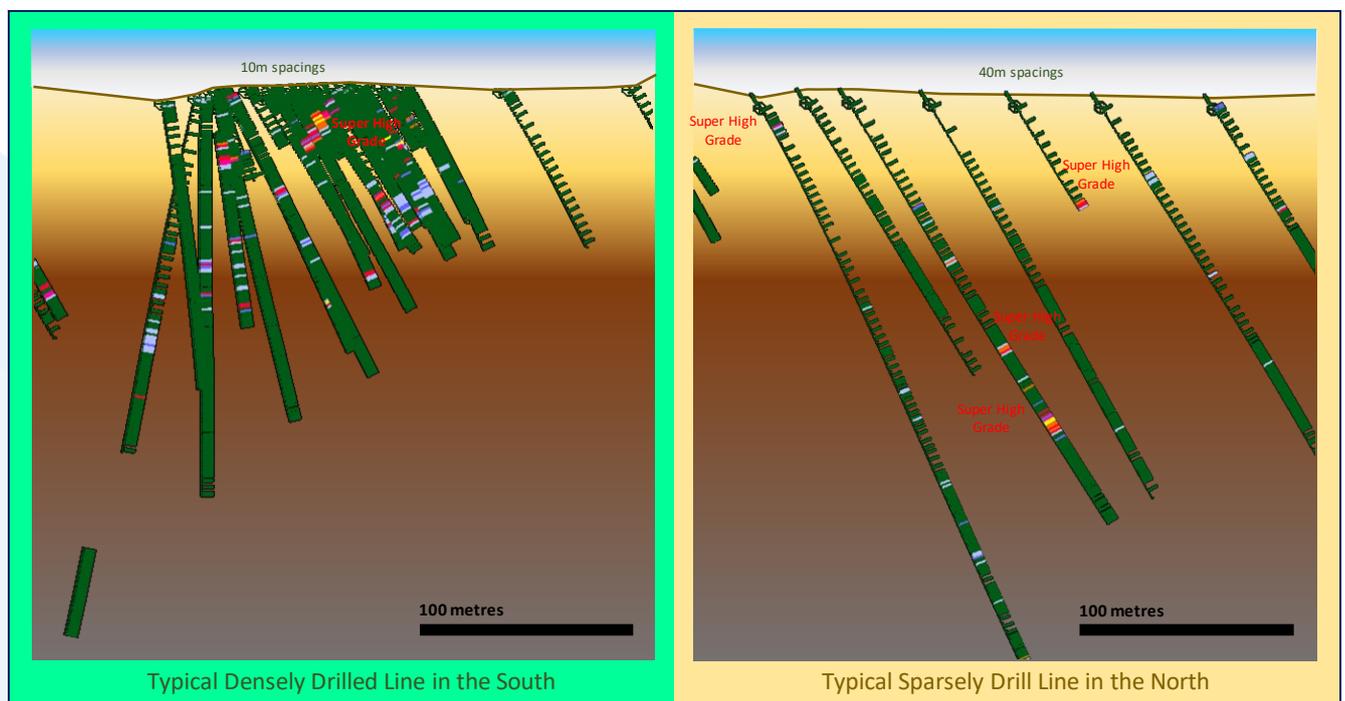
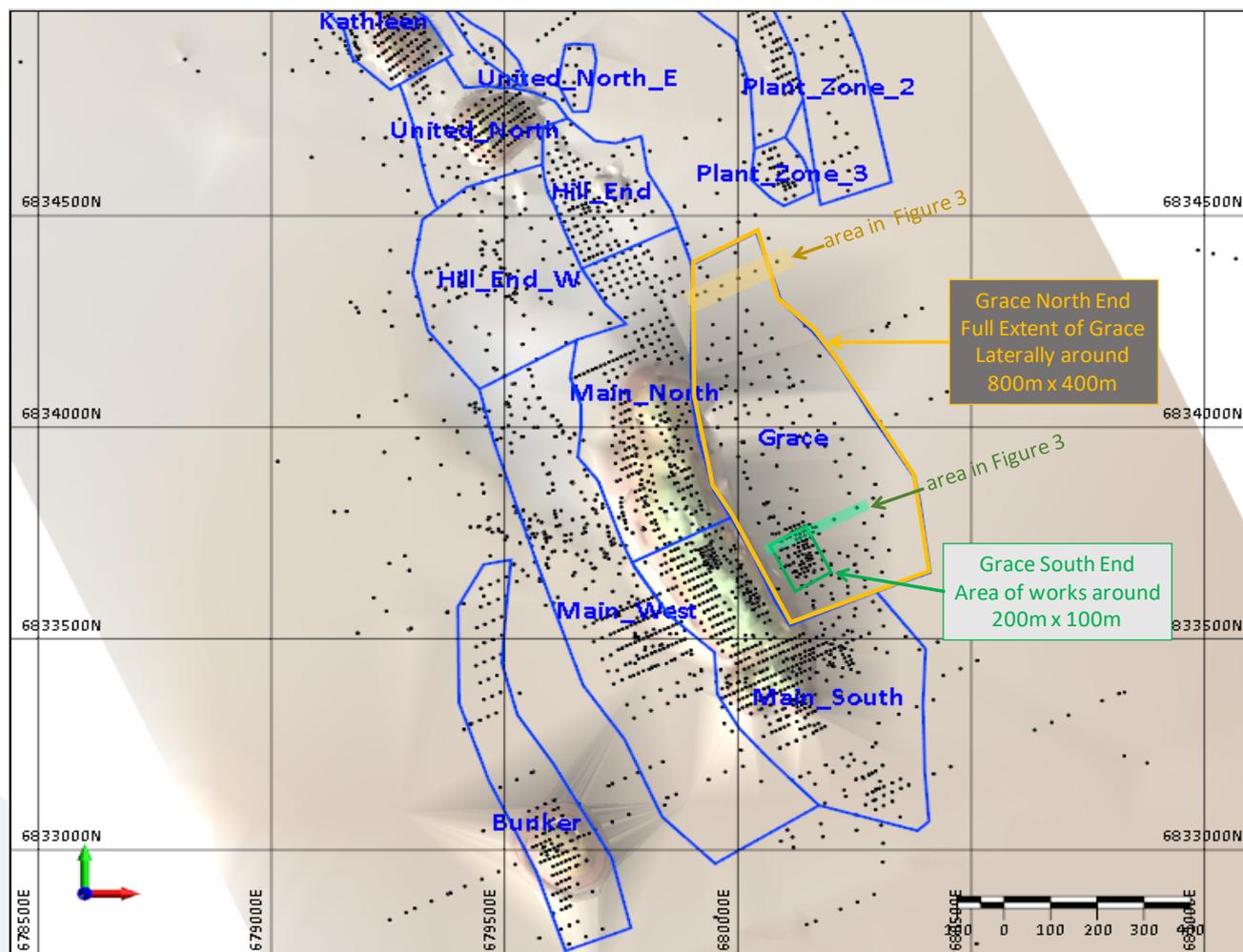


Figure 4: Plan View Showing the Recent Work Areas at Grace and the Full Extent of Mineralisation



Ripping Trial

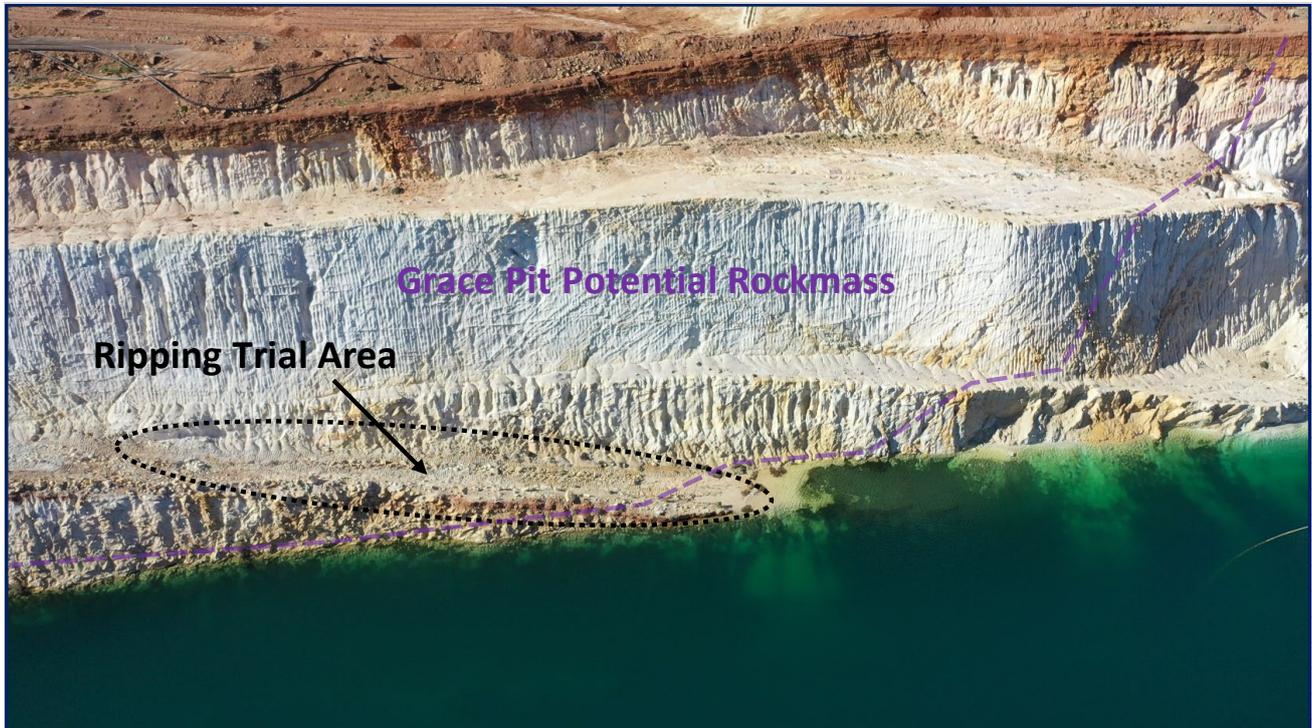
A Ripping Trial was conducted on Grace mineralisation and surrounding material to ascertain whether the material will be free dig or require blasting in an early mining scenario.

The trial was conducted in the existing Youanmi Main Pit on the eastern ramp which is within the granites. The results show that Grace oxidised granites to a depth of 60 vertical metres below surface will not require drilling and blasting, which represents a significant cost saving with respect to any future Grace open pit mining costs.

Figure 5 shows the area where the ripping trial was conducted which was very successful in that the Cat D10 machine was easily able to rip the in-situ material in the old ramp full depth in a single pass.

This information will be applied to any study work on open pit mining in this specific area and geology (i.e Grace oxidised granite to 60 metres depth).

Figure 5: Area of Grace Open Pit Ripping Trial



Consultants and Contractors

All dozer work was completed using a Caterpillar D10 Dozer supplied by Johnson Plant Hire Services out of Perth with all the tasks completed safely, on budget and on time.

The “Ditchwitch” was provided by Beeline Services from Mt Magnet and owner Barry Wallace completed the task on site safely and efficiently.

JT Metallurgical Service’s Principal Brant Tapley is managing the Gemeni Table work for Rox and also advising Rox on gravity circuit configuration optimised for the Grace mineralisation.

Ongoing Resource and Exploration Drilling

Aside from the above activities at Grace, drilling programs to drive resource growth are progressing very well with 4 drilling rigs on site at present (three diamond and one RC). An aircore rig is due to commence drilling regional targets shortly with further details on the regional exploration program to be released in due course.

A highly experienced Principal Resource Geologist has recently been appointed to oversee the resource development programs.

Authorised for release to the ASX by the Rox Board.

***** ENDS *****

For more information:

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Competent Person Statements

Exploration Results

The information in this report that relates to Data and Exploration Results is based on information compiled and reviewed by Mr Gregor Bennett a Competent Person who is a Member of the Australian Institute Geoscientists (AIG) and Exploration Manager at Rox Resources. Mr Bennett has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Bennett consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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 either prepared and first disclosed under the JORC Code 2004 or 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. In the case of the 2004 JORC Code Exploration Results and Mineral Resources, they have not been updated to comply with the JORC Code 2012.

Resource Statements

The information in this report that relates to gold Mineral Resources for the Youanmi Project was reported to the ASX on 23 June 2021 (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 23 June 2021, and that all material assumptions and technical parameters underpinning the estimates in the announcement of 23 June 2021 continue to apply and have not materially changed.

The information in this report that relates to gold Mineral Resources for the Mt 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 Collurabie 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.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Rox Resources Limited planned exploration program(s) and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward looking statements.

About Rox Resources

Rox Resources (ASX:RXL) is a West Australian focused gold exploration and development company. It is 70 per cent owner and operator of the historic Youanmi Gold Project near Mt Magnet, approximately 480 kilometres northeast of Perth, and wholly-owns the Mt Fisher Gold project approximately 140 kilometres southeast of Wiluna. Youanmi has a Total Mineral Resource of 1,656 koz 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. Youanmi is classified as a disturbed site and is on existing mining leases which has significant existing infrastructure to support a return to mining operations.