

ASX ANNOUNCEMENT

RR1767D

28 July 2021

Cannon Resources IPO Update

ROX RESOURCES LIMITED

ASX: RXL

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

DIRECTORS

Mr Stephen Dennis
Chairman

Mr Alex Passmore
Managing Director

Dr John Mair
Non-Executive Director

Shares on Issue	157.6m
Share Price	\$0.42
Market Cap.	\$66.2m
Cash & Receivables	\$15.0m

(incl \$3.1m receivable, cash as at 30 June 2021)

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Highlights:

- **Cannon Resources IPO is on track to successfully list on or around the 10th of August 2021**
- **Eligible Rox shareholders have been issued an in-specie distribution of approximately 81% of the shares Rox holds in Cannon Resources**

West Australian focused gold exploration and development company, Rox Resources Limited ("Rox" or "the Company") (ASX: RXL) is pleased to provide an update on the demerger and listing of its subsidiary, Cannon Resources Limited ("Cannon"), on the ASX by way of an Initial Public Offering ("IPO").

Cannon lodged a prospectus with the Australian Securities & Investments Commission on 26 May 2021 to raise \$6.0 million to progress the Fisher East and Collurabbie projects as a new standalone nickel and base metals focussed company.

Funds have been received from existing Rox shareholders and new subscribers to raise the full \$6.0 million. Demand for the shortfall offer was exceptionally strong (multiples of the commitments sought).

ASX Conditional Admission Letter

Cannon has received its conditional admission letter from the ASX advising that the ASX will admit Cannon to the Official List of the ASX, subject to the satisfaction of certain conditions precedent that are typical for IPOs. Cannon is working with the ASX to satisfy the remaining conditions with a targeted listing date of on or around 10 August 2021.

In-Specie Distribution to Rox Shareholders

Shareholder approval for the Company's demerger by way of capital reduction and in-specie distribution was received on 28 June 2021. The Company is pleased to advise that the distribution of Cannon shares (on the basis of 1 Cannon share for every 4.32 Rox shares (post-consolidation) held on the Record Date of 22 July 2021) was effected today.

Rox Resources Managing Director Alex Passmore commented: *“We are very pleased with the strong demand and broad support shown for the Cannon Resources IPO. This transaction unlocks the value of Rox’s nickel and base metal assets for shareholders. Rox is focussed on resource growth and development activities at the Youanmi Gold Project where we are aiming to deliver a high-grade producing gold mine. Rox investors will retain exposure to the nickel and base metal assets through their pro-rata holding in Cannon and shares they subscribed for as part of its IPO.”*

Cannon Resources CEO Steve Lynn commented: *“The Cannon listing is nearing completion and I wish to thank all those who have supported the IPO, as well as those who have worked behind the scenes to make it happen on schedule. The fact that the offer was strongly supported is a testament to the quality of the assets and timing into the market. I keenly anticipate the immediate rollout of our exploration program and look forward to sharing these results as they come to hand.”*

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

*****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 667,000 oz 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.