

# Quarterly Report

For the period ended 31 December 2014



## HIGHLIGHTS

### Fisher East Nickel Project, WA

- **Strong drilling results from Musket and Cannonball:**
  - 5m @ 4.1% Ni from Cannonball
  - 5.3m @ 2.7% Ni from Cannonball, and
  - 2.3m @ 4.1% Ni from Musket down hole EM target
- **Mineralisation at Cannonball and Musket is still open at depth and along strike**
- **Down hole EM target at Musket successfully tested and extended**
- **Ground EM anomalies defined at Cutlass**
- **New ground acquired to the south of Musket – adds a further 10km of prospective strike**
- **Metallurgical testwork indicates good recoveries and concentrate specifications for Camelwood and Musket ore types**
- **Scoping Study commenced for Fisher East nickel project**

### Reward Zinc-Lead Project, NT

- **Continued drilling success at the Teena prospect:**
  - 34.4m @ 6.2% Zn+Pb, including 4.9m @ 11.8% Zn+Pb, 4.1m @ 10.4% Zn+Pb, and 2.5m @ 10.3% Zn+Pb
  - 25.5m @ 9.1% Zn+Pb, including 14.7m @ 13.3% Zn+Pb

### Bonya Copper Project, NT

- **Further excellent copper intersections at the Bonya Mine prospect:**
  - 8m @ 7.6% Cu, including 3m @ 12.0% Cu
  - 13m @ 5.4% Cu, including 3m @ 12.8% Cu
  - 9m @ 2.8% Cu
  - 5m @ 9.1% Cu, including 3m @ 13.4% Cu, and
  - 11m @ 3.9% Cu
- **Several other strong geochemical targets to test with drilling**

## INTRODUCTION

The fourth quarter of 2014 has continued to return outstanding exploration results for Rox Resources Limited ("Rox" or "the Company"). On 27 December 2014, The Australian newspaper listed Rox as one of only ten resource companies in its "Top 100 for investing in 2015".

At the Fisher East nickel project in Western Australia:

- Drilling has continued to intersect strong nickel sulphide mineralisation at Musket and Cannonball that will increase mineral resources.
- Ground EM has defined strong anomalies for drilling at the Cutlass prospect.
- Metallurgical testwork on Camelwood and Musket ore samples was completed and returned positive results.
- A Scoping Study was commenced during the quarter to examine various development options for the project.

At the Reward zinc-lead project in the Northern Territory:

- Drilling has continued to define and delineate the large mineralised system at the Teena zinc-lead prospect, which now extends for over 1.9km in strike length and 0.8km width.

At the Bonya copper project in the Northern Territory:

- RC and diamond drilling has continued to intersect zones of massive copper sulphide mineralisation at the Bonya Mine prospect. Follow-up drilling is planned for 2015.
- Rox has earned a 51% interest in the project under a Farm-in Agreement with Arafura Resources NL (ASX:ARU) and has elected to increase its interest to 70% by expenditure of a further \$1 million by December 2016.

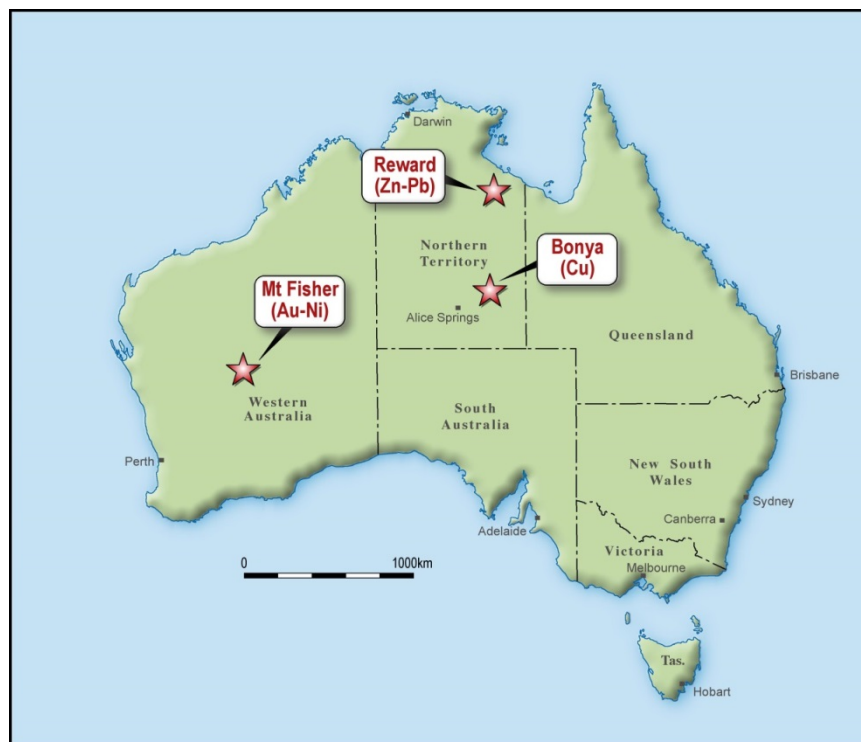


Figure 1: Rox Project Location Map

## FISHER EAST NICKEL PROJECT, WA (Rox 100% & option to purchase 100%)

### RC and Diamond Drilling

During the quarter final assays were received for RC (MFEC prefix) and diamond (MFED prefix) drill holes with significant new results, all outside of existing resources, including:

MFEC082: **9m @ 2.8% Ni** from 154m, including **5m @ 4.1% Ni** at Cannonball

MFEC083: **4m @ 1.9% Ni** from 191m at Cannonball

MFEC085: **5m @ 2.1% Ni** from 198m at Cannonball

MFEC091: **3m @ 2.2% Ni** from 229m at Camelwood

MFEC092: **2m @ 3.0% Ni** from 167m at Camelwood

MFED057: **5.3m @ 2.7% Ni** from 255.3m, including **1.9m @ 4.8% Ni** at Cannonball

MFED058: **2.3m @ 4.1% Ni** from 366.9m at Musket

MFED062: **0.2m @ 13.0% Ni** from 486.3m, and **5.1m @ 2.0% Ni** from 490.0m at Musket

MFED063: **1.8m @ 1.6% Ni** from 414.2m, and **8.6m @ 1.4% Ni** from 419.9m at Musket

Hole MFED058 tested the off-hole EM target at Musket (Figure 2) and defined ore grade mineralisation there. A downhole EM survey in hole MFED059 extended this EM anomaly at depth and further drilling is warranted. The results from the above drilling, and further follow-up drilling, will allow further extensions to the Musket mineral resource as well as a new additional mineral resource at Cannonball to be estimated.

Some additional RC drilling was also undertaken at Camelwood to better define near surface mineralisation. RC holes drilled at the Red Mulga and Cutlass prospects intersected anomalous nickel sulphide mineralisation which warrants follow-up.

Full results are included in Tables 1 and 2, and shown on Figures 2 and 3. (ASX:RXL 20 November 2014).

### Ground EM Survey

A ground EM survey was completed over the Cutlass trend (Figure 4), plus Cannonball and Musket. Anomalies were defined at Musket and Cutlass, but final results are awaited. It is anticipated that the Cutlass EM anomalies will be tested with drilling in the next quarter. The Musket EM anomalies are coincident with known mineralisation.

### New Ground Acquired Through Option

During the quarter Rox entered into a new Option Agreement to acquire 100% of two additional granted mineral tenements situated along strike to the south of the known nickel and gold mineralised zones on Rox's tenements (Figure 5) (ASX:RXL 8 December 2014).

The first tenement, E53/1802, is located along strike to the south of Camelwood and Musket. The tenement covers a further 10km of the prospective ultramafic horizon, now providing Rox with a total 25km strike length of that favourable stratigraphy (Figure 6). Previous work has identified nickel and copper geochemical anomalies on E53/1802, but the area has not been effectively explored for nickel sulphides. Airborne geophysical surveys (VTEM and aero-magnetics) are planned to be flown in the next quarter to better define drilling targets for nickel sulphides.

The second tenement, E53/1788, is located along strike to the south of the 7km long gold-in-regolith anomaly currently held by Rox at the Dam and Dirks prospects (Figure 7), extending the potential gold-bearing corridor to more than 10km. A thorough data review of the new tenement has confirmed the presence of a number of significant gold mineralised zones that appear to be associated with the gold mineralised corridor to the north.

## Metallurgical Testwork

Preliminary metallurgical testwork on disseminated and massive sulphide samples from Camelwood and Musket was completed during the quarter under the supervision of Strategic Metallurgy Pty Ltd. Preliminary comminution work indices were also determined for the Camelwood disseminated sample in order to assess the grinding requirements. These were a Bond Ball Mill Work Index of 10.9 kWh/tonne and a Bond Abrasion Index of 0.027.

Flotation testing was conducted to determine preliminary concentrate nickel grades and nickel recoveries for the different ore types.

Massive sulphide ore achieved 97 to 100% recovery, while the disseminated sulphide ore achieved 74 to 81% recovery, both at a nominal concentrate grade of 12% Ni, as listed in Table 1. Higher concentrate grades can be achieved but at slightly lower recoveries.

The quality of the overall concentrate will be more than acceptable for smelting, with individual Fe/MgO ratios shown in Table 1. Arsenic (As) was less than 100 ppm for each concentrate, and will therefore not pose any issues. It is unlikely that just one ore type would be processed at a time, rather, a "run of mine" (ROM) sample would be a mixture of these ore types.

Further testwork is required to optimise the overall metallurgical performance, and will now focus on:

- Improvements in recovery of disseminated ores due to the relatively high talc content, which would lead to a lowering of the MgO content (and increase of Fe/MgO ratio),
- ROM samples which will more accurately represent material that would be presented to a processing plant from a mining operation,
- Optimising grind size.

**Table 1: Metallurgical Testwork Results**

Ore Type	Head Grade (Ni%)	Primary Grind Size (um)	Rougher Ni grade (%)	Rougher Nickel Recovery (%)	Nickel Recovery at 12% Concentrate Grade	Fe/MgO	MgO%
Camelwood Primary Disseminated	2.4	75	6.3	86.2	73.7	12:1	8.7
Camelwood Primary Massive	6.7	53	12.2	96.7	96.7	16:1	2.4
Camelwood Transitional Semi-Massive	5.4	32	11.7	79.9	79.7	4:1	6.1
Musket Primary Disseminated	2.1	75	10.3	84.2	81.2	4:1	8.0
Musket Primary Massive	20.0	75	23.0	99.7	100.0	111:1	0.3

## Scoping Study

Given the mineral resource now defined at Fisher East (Camelwood and Musket), plus the positive metallurgical testwork results listed above, a Scoping Study was commenced during the quarter. This study will develop a preliminary mining schedule and examine various options including building a processing plant on-site at Fisher East, or toll milling at a nearby processing facility. Results are expected in the next quarter.

## Next Quarter's Activities

- Completion of Fisher East Scoping Study.
- Commencement of new drilling and geophysics programs.

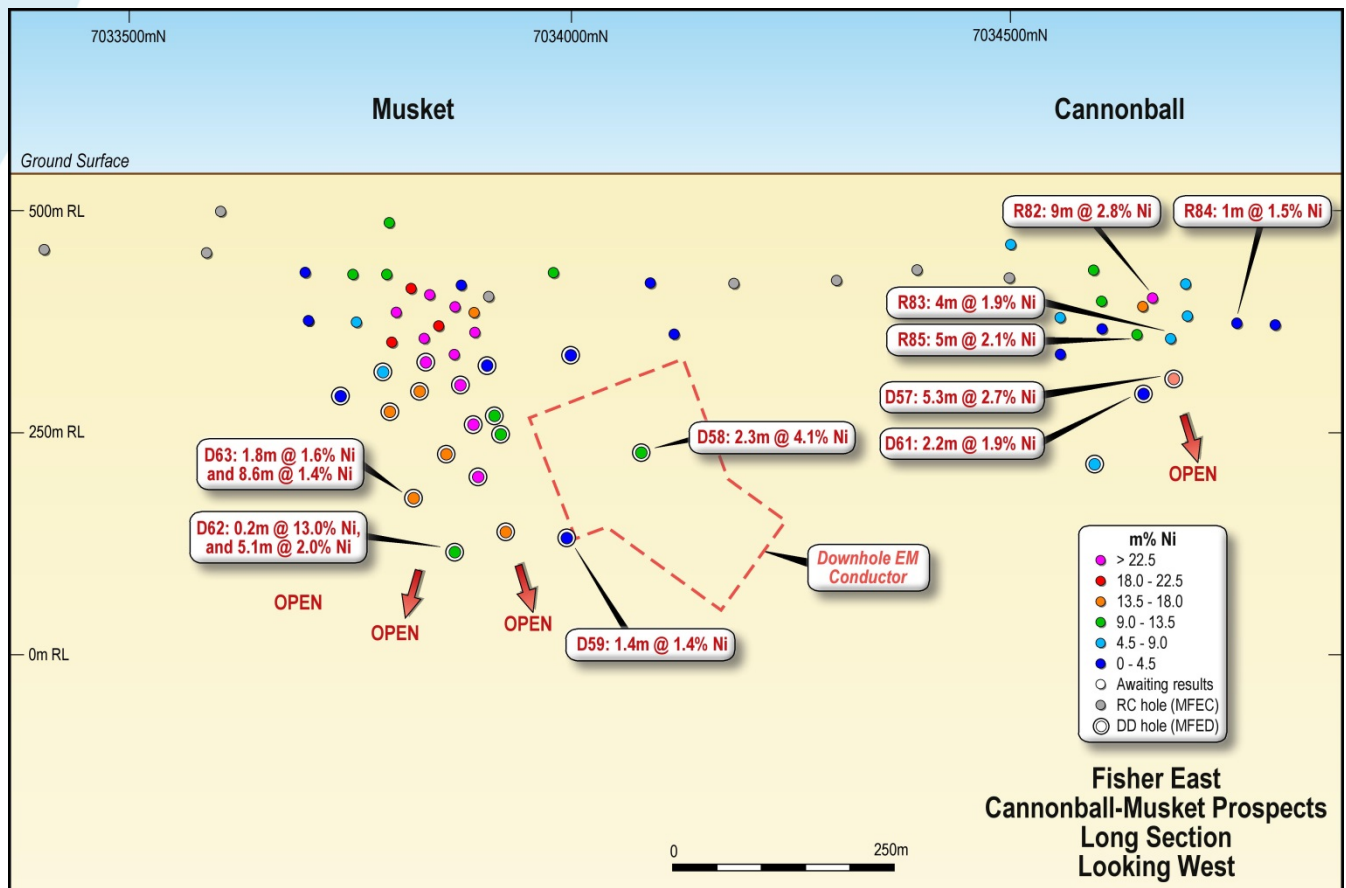


Figure 2: Musket-Cannonball Long-Section showing new drill results



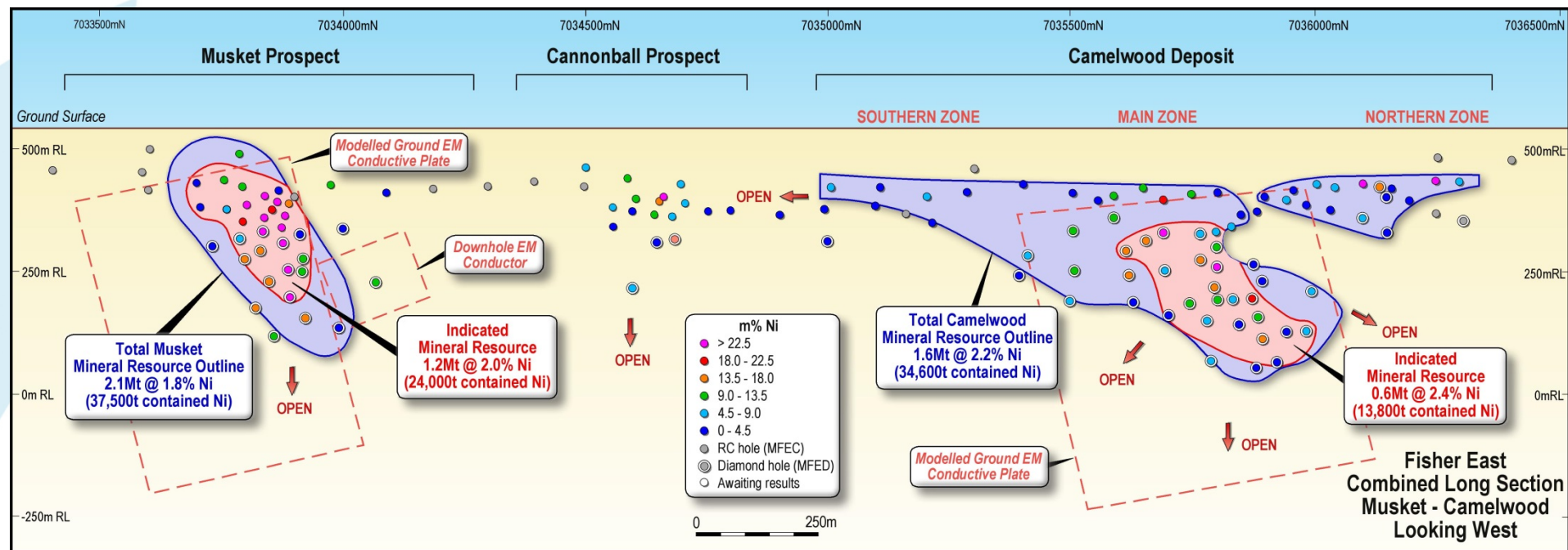


Figure 3: Camelwood-Musket South-North Drill Long Section, open at depth, and largely unexplored. The Indicated Mineral Resources shown in red are subsets of, and are included in the Total Mineral Resources shown in blue.

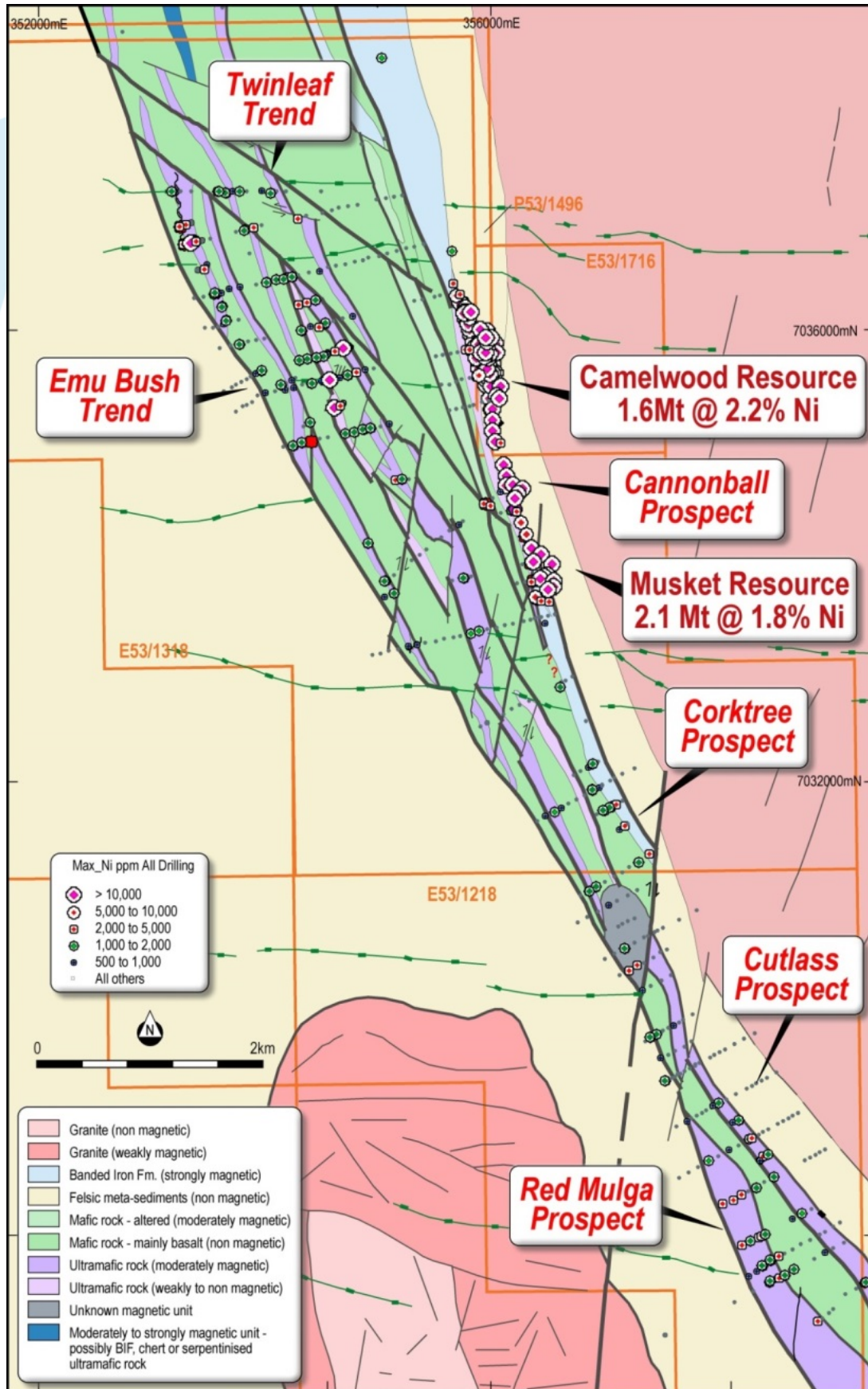


Figure 4: Fisher East Ultramafic Belt – Prospect Locations over interpreted geology

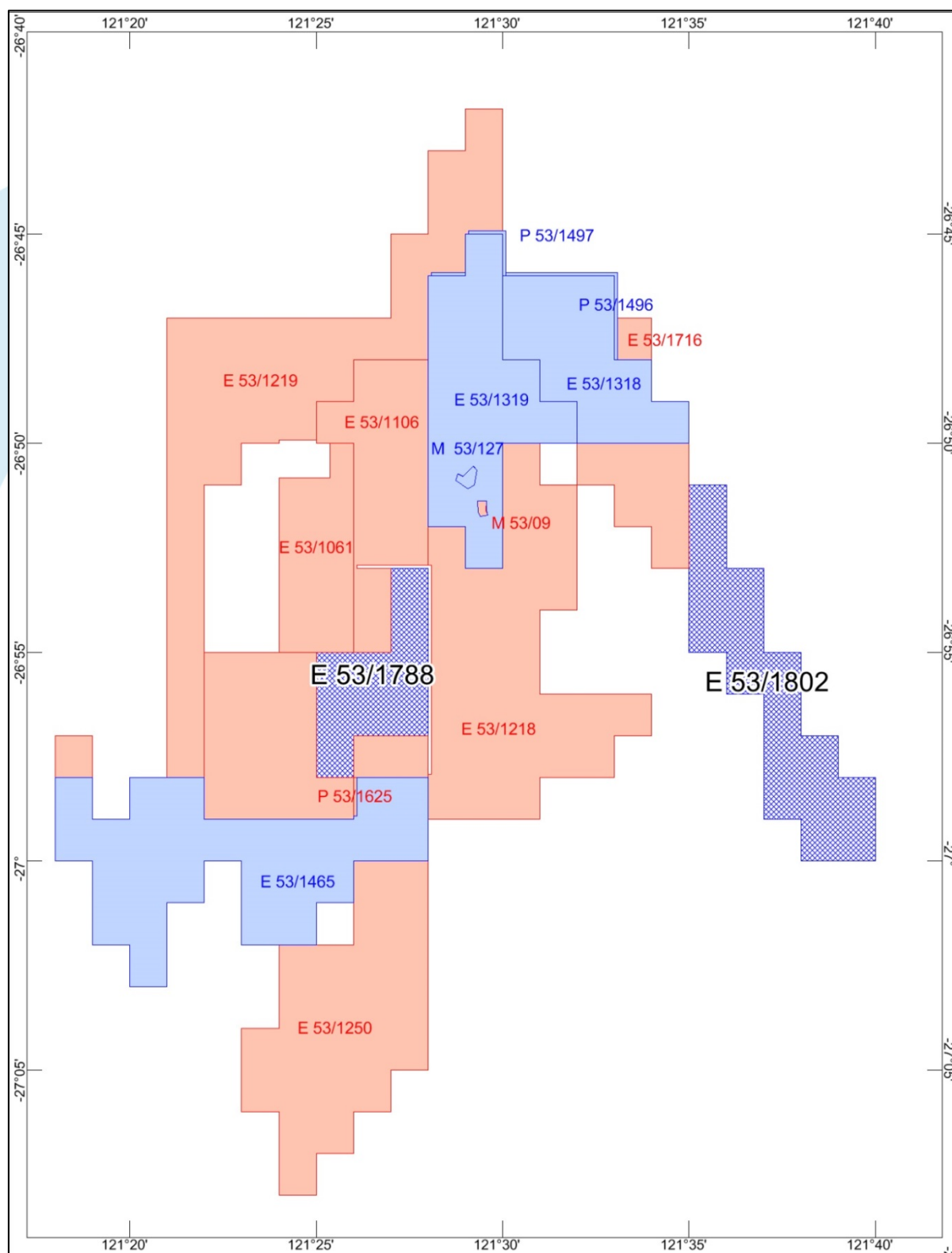


Figure 5: New Option Tenements, E53/1788 and E53/1802 (dark blue cross-hatch). Existing Rox 100% tenure shown in plain red, existing Option tenements shown in plain blue.



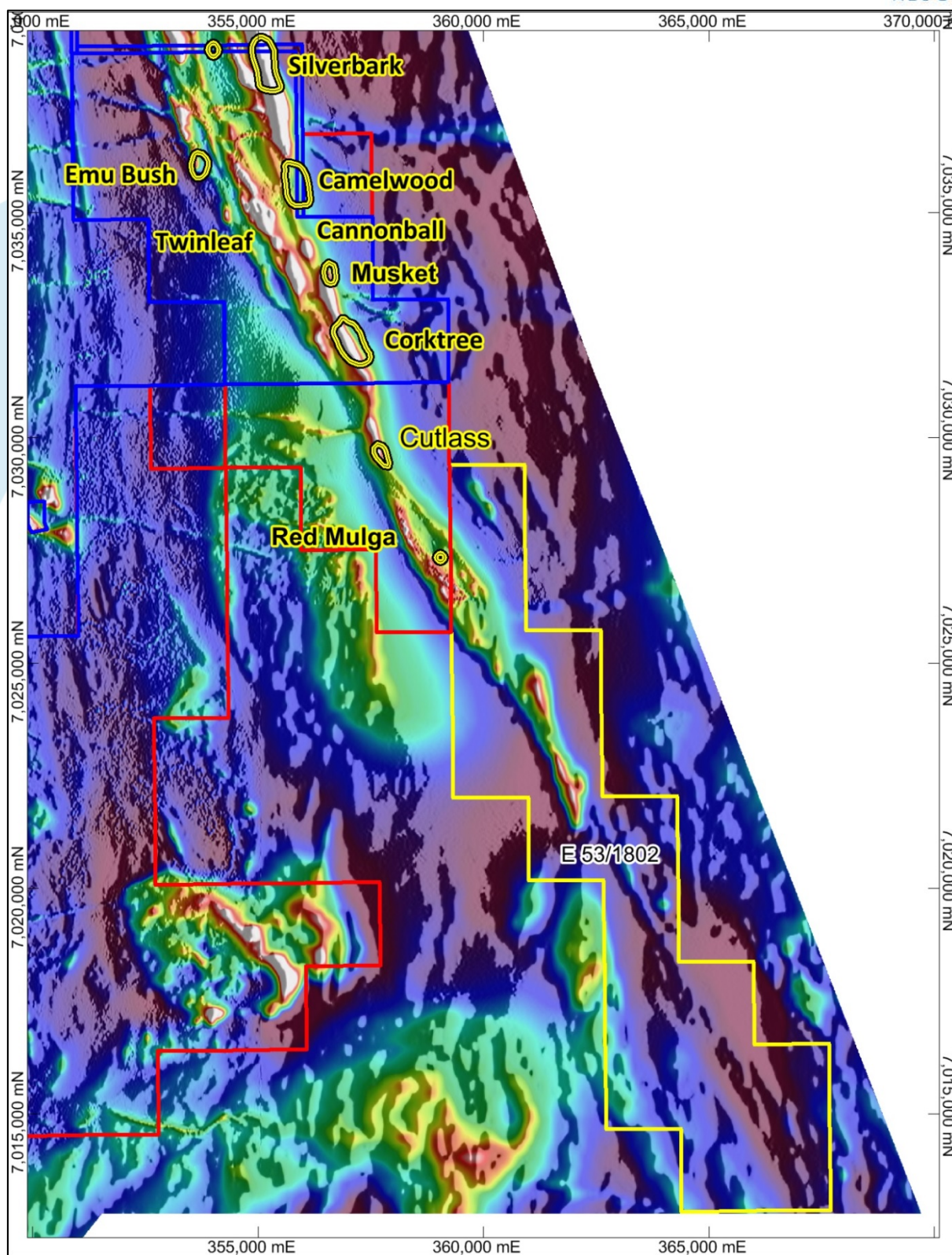


Figure 6: E53/1802 (yellow outline) showing magnetics. Rox current tenure shown with red or blue outline, and nickel sulphide prospects and VTEM anomalies shown. Grid is 5km.

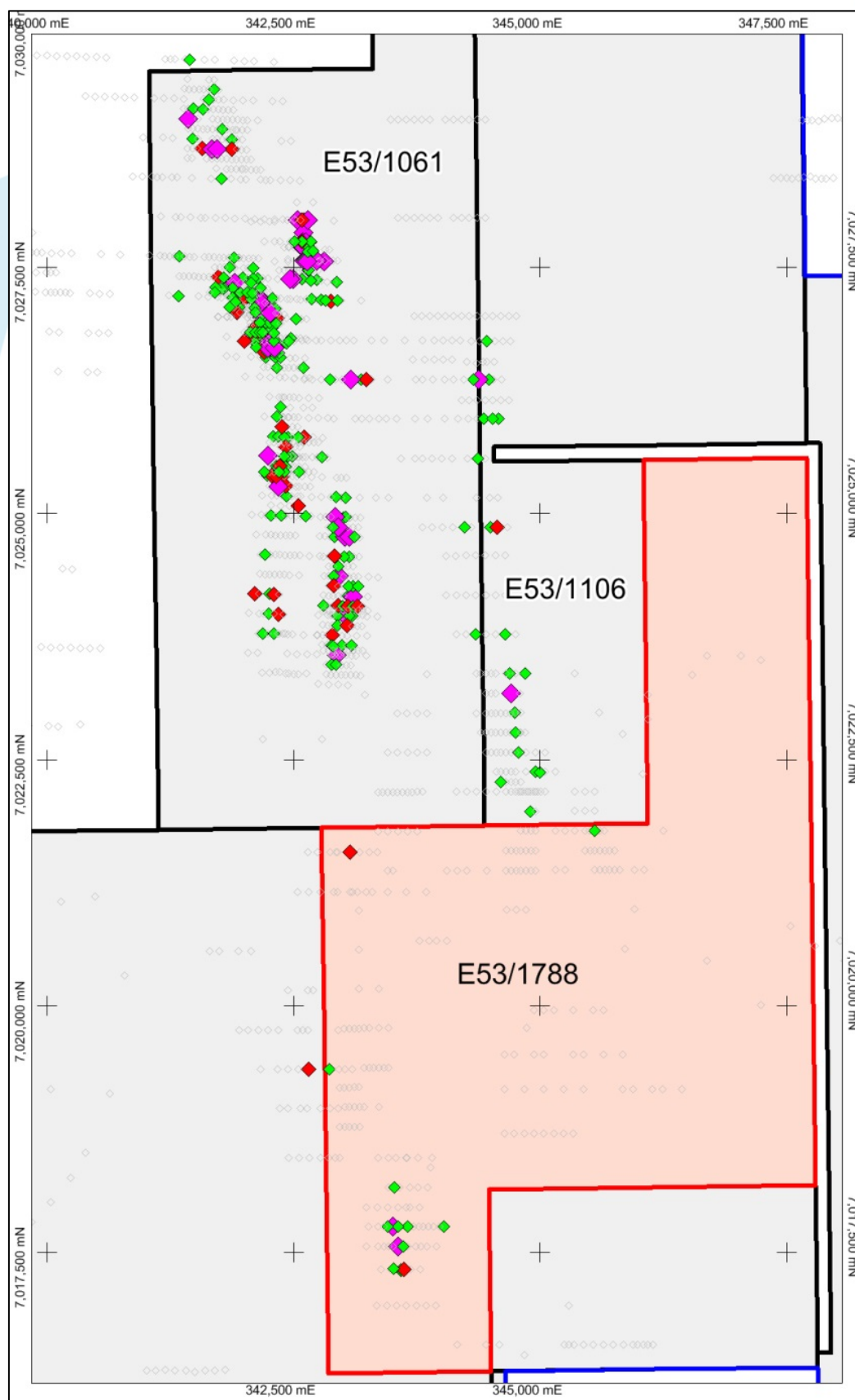


Figure 7: E53/1788 showing maximum gold in hole, coloured (green = 1 to 3 g/tAu, red = 3-5 g/tAu, magenta = >5 g/tAu). Grid is 2.5km. E53/1061 and E53/1106 (grey shade) already 100% owned by Rox. Historic data compiled from Open file DMP reports.

**Table 2: RC Drilling Assay Results**

Hole	East	North	Depth (m)	Dip	Azimuth	From (m)	To (m)	Interval	Ni%	m%	Prospect
MFEC098	355950	7035900	220	-60	274	189	190	1	1.26	1.3	Camelwood Nth
MFEC097	355898	7035999	187	-60	274	163	164	1	1.16	1.2	Camelwood Nth
MFEC096	355899	7036046	202	-60	274	176	177	1	0.94	0.9	Camelwood Nth
MFEC095	358306	7028997	181	-55	250	NSR					Cutlass
MFEC094	358283	7028406	126	-55	250	NSR					Red Mulga
MFEC093	358960	7027397	156	-60	245	NSR					Red Mulga
MFEC092	355922	7035950	187	-60	272	167	169	2	2.99	6.0	Camelwood
MFEC091	355990	7035846	241	-60	270	229	232	3	2.23	6.7	Camelwood
MFEC090	356122	7035199	217	-60	275	206	207	1	0.95	1.0	Camelwood Sth
MFEC089	356097	7035150	192	-60	275	NSR					Camelwood Sth
MFEC088	356104	7035099	187	-60	275	174	175	1	1.07	1.1	Camelwood Sth
MFEC087	356087	7035049	163	-60	275	141	142	1	1.34	1.3	Camelwood Sth
MFEC086	356135	7034995	198	-60	275	177	178	1	1.23	1.2	Camelwood Sth
MFEC085	356310	7034654	222	-58	268	198	203	5	2.10	10.5	Cannonball
MFEC084	356232	7034750	213	-55	270	190	191	1	1.49	1.5	Cannonball
MFEC083	356263	7034682	228	-65	274	191	195	4	1.85	7.4	Cannonball
MFEC082	356237	7034651	173	-55	272	154	163	9	2.75	24.7	Cannonball
<i>including</i>						155	160	5	4.12		

RC Drill holes MFEC082 to MFEC085 (Table 2) have been reported previously (ASX:RXL 20 November 2014).

**Table 3: Diamond Drilling Assay Results**

Hole	East	North	Depth (m)	Dip	Azimuth	From (m)	To (m)	Interval	Ni%	m%	Prospect
MFED063	356768	7033836	462.7	-70	268	414.2	416.0	1.8	1.55	15.0	Musket
And						419.9	428.5	8.6	1.42		
<i>Including</i>						425.0	427.9	2.9	2.24		
MFED062	356802	7033917	522.7	-66	261	486.3	486.5	0.2	13.0	12.7	Musket
And						490.0	495.1	5.1	2.00		
MFED061	356348	7034690	299.3	-66	247	266.6	268.8	2.2	1.92	4.2	Cannonball
MFED060	356168	7034897	207.6	-60	275	189.3	191.3	2.0	1.41	2.8	Camelwood Sth
MFED059	356704	7034030	474.9	-70	264	450.4	451.8	1.4	1.44	2.0	Musket
MFED058	356653	7034098	418.6	-60	268	366.9	369.2	2.3	4.10	9.3	Musket
MFED057	356351	7034696	296.8	-60	261	255.3	260.6	5.3	2.69	14.2	Cannonball
<i>Including</i>						255.3	257.2	1.9	4.82		

Diamond drill holes MFED057 and MFED061 (Table 3) have been reported previously (ASX:RXL 20 November 2014).

Notes to Tables:

- New results shown in **bold**.
- Grid coordinates GDA94: Zone 51, collar positions determined by hand held GPS.
- All holes nominal RL 542 +/- 1m AHD estimated from regional Digital Elevation Model.
- Hole azimuths generally planned as 270 degrees, downhole deviations result in hole paths slightly different to those intended.
- RC drilling (hole prefix MFEC) by reverse circulation face sampling hammer, then 1 metre samples cone split and bagged.
- Diamond drilling (hole prefix MFED) by HQ/NQ diamond core, with core cut in half and sampled to either significant geological boundaries or even metre intervals.
- Diamond drill samples weighed in water and air to determine bulk density, and then crushed to 6.5mm. 3-5kg sample preparation by pulp mill to nominal P80/75um.
- Ni analysis by Intertek Genalysis Perth method 4A/OE: Multi-acid digest including Hydrofluoric, Nitric, Perchloric and Hydrochloric acids in Teflon Tubes. Analysed by Inductively Coupled Plasma Optical (Atomic) Emission Spectrometry. For higher precision analyses (e.g. Ni > 1%), Intertek Genalysis Perth method 4AH/OE: Modified (for higher precision) multi-acid digest including Hydrofluoric, Nitric, Perchloric and Hydrochloric acids. Analysed by Inductively Coupled Plasma Optical (Atomic) Emission Spectrometry.
- Certified Reference Standards and field duplicate samples were inserted at regular intervals to provide assay quality checks. Review of the standards and duplicates are within acceptable limits.
- Cut-off grade for reporting of 1% Ni with up to 2m of internal dilution allowed.
- Given the angle of the drill holes and the interpreted 60-65 degree easterly dip of the host rocks, reported intercepts will be slightly more than true width.



## BONYA COPPER PROJECT, NT (Rox 51%, earning up to 70%)

Follow-up Reverse Circulation (RC) drilling undertaken at the Bonya copper project, located 350km east of Alice Springs in the Northern Territory, continued to produce exceptional assay results (ASX:RXL 5 November 2014, 1 December 2014).

The massive copper sulphide mineralised body at the Bonya Mine prospect was intersected by a further four RC drill holes (Figure 8). Full results are listed in Table 4 and included:

BYRC014:           **8m @ 7.6% Cu** from 97m, including  
                              **3m @ 12.0% Cu** from 101m, and  
                              **13m @ 5.4% Cu** from 111m, including  
                              **3m @ 12.8% Cu** from 119m

BYRC015:           **9m @ 2.8% Cu** from 100m, including  
                              **4m @ 3.9% Cu** from 101m

BYRC018:           **5m @ 9.1% Cu** from 109m, including  
                              **3m @ 13.4% Cu** from 109m, and  
                              **11m @ 3.9% Cu** from 121m

These drilling results have defined massive copper sulphide mineralisation (Figure 9) over substantial widths and over a vertical interval of at least 100m. The high grades, including several 1m samples grading above 10% Cu are also very encouraging. Assays for silver (Ag) and gold (Au) were generally in the 1 - 2 g/t range for Ag, and 0.2 - 0.4 g/t range for Au, over the mineralised intervals.

Follow-up diamond drilling was undertaken late in the quarter, however significant hole deviations meant that the drill targets were not intersected as planned. The drilling seems to have intersected the edge of the mineralised system (evidenced by the hematite alteration present) which appears to be plunging to the west. Assay results were:

BYD001:           **0.7m @ 1.5% Cu** from 175.3m

BYD002:           **0.3m @ 2.2% Cu** from 153.8m, and  
                              **0.6m @ 2.1% Cu** from 156.6m

Further drilling is planned for the next quarter aimed to intersect the interpreted westerly plunge as shown on Figure 8.

Drilling at three EM anomalies was also completed by RC holes BYRC001 to 007 inclusive. Some anomalous results were returned, with the best result being **2m @ 3.1% Cu** in hole BYRC003 at EM Anomaly 03 (ASX:RXL 5 November 2014). Results are listed in Table 4.

In addition, a number of other prospects on the Bonya tenements (Figure 9) have strong outcrops of copper oxide mineralisation over 200-400m strike lengths (e.g. Green Hoard and Fat Cow), and have been prioritised for RC drilling in the next quarter.

During the quarter Rox satisfied the conditions to earn a 51% interest in EL29701 and elected to proceed to earn up to 70% by expenditure of a further \$1 million over two years to 10 December 2016 (ASX:RXL 16 December 2014).

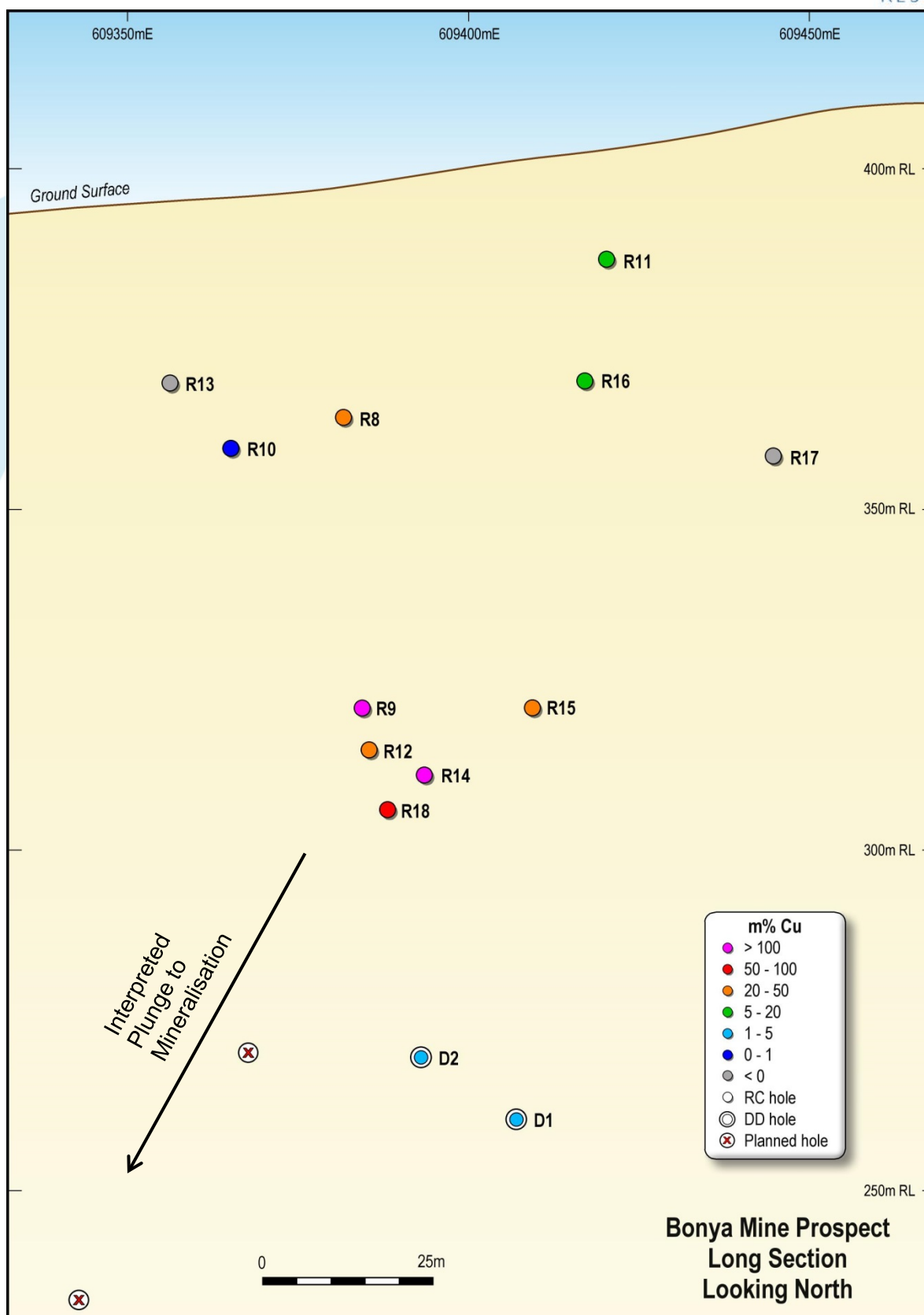


Figure 8: Bonya Mine Prospect Long Section



Figure 9: RC chips from hole BYRC018 – the brassy yellow mineral in abundance is the copper sulphide, chalcopyrite

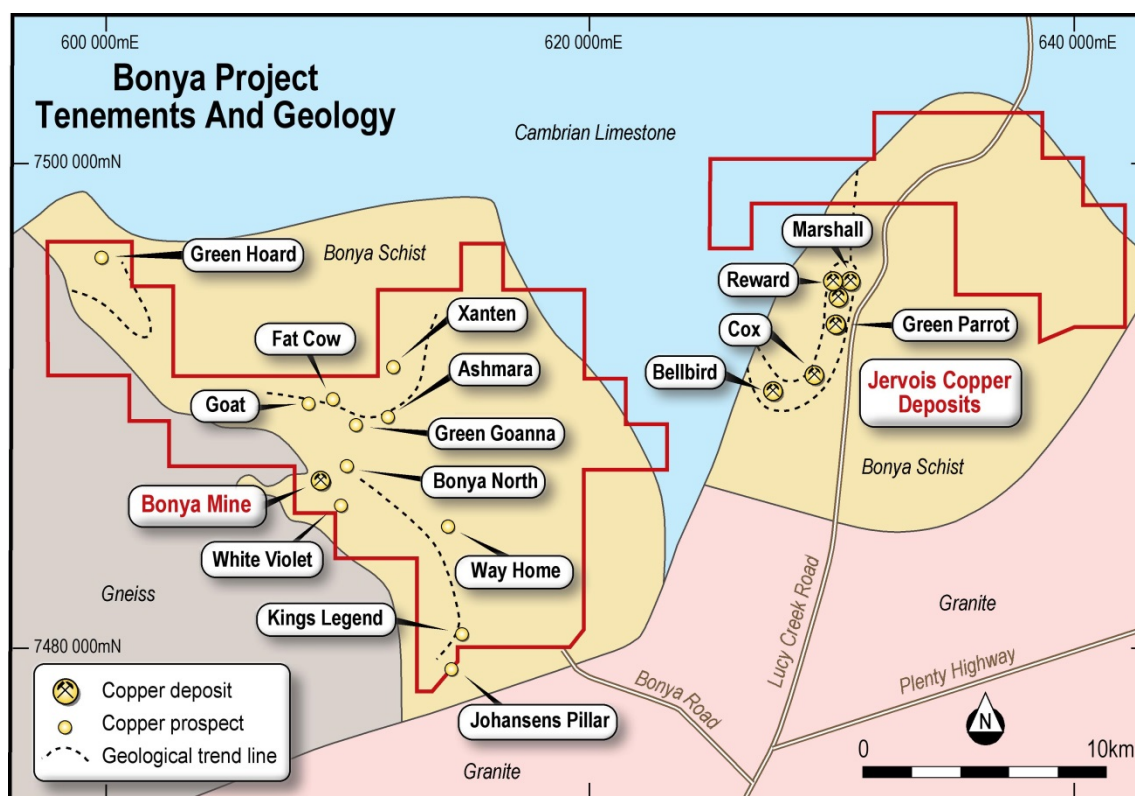


Figure 10: Bonya project tenements showing prospect locations





*Figure 11: Diamond drill core from hole BYD001. The light yellow mineral is chalcopyrite (copper sulphide), while the red-brown mineral is hematite (which is an alteration mineral associated with copper mineralisation), and the dark green mineral is probably chlorite and/or amphibolite. The white mineral near the holder's thumb is quartz.*



**Table 4: Bonya RC Drilling Assay Results**

Hole	East	North	RL	Depth (m)	Dip	Azimuth	From (m)	To (m)	Interval	Cu%	Prospect
BYRC018	609380	7486915	400	177	-50	360	109	114	5	9.14	Bonya Mine
<i>including</i>							109	112	3	13.4	
And							121	132	11	3.91	
And							139	143	4	1.94	
<i>including</i>							141	142	1	4.17	
BYRC017	609445	7487053	408	102	-45	182	NSR				Bonya Mine
BYRC016	609419	7487017	403	72	-60	180	6	7	1	2.10	Bonya Mine
And							23	25	2	2.16	
And							36	41	5	1.95	
<i>including</i>							39	41	2	3.50	
And							47	48	1	2.36	
BYRC015	609420	7487083	403	143	-45	180	100	109	9	2.82	Bonya Mine
<i>including</i>							101	105	4	3.93	
BYRC014	609399	7487063	403	150	-60	180	97	105	8	7.58	Bonya Mine
<i>including</i>							101	104	3	12.0	
And							111	124	13	5.44	
<i>including</i>							114	123	9	7.44	
<i>including</i>							119	122	3	12.8	
BYRC013	609357	7487014	395	102	-60	180	NSR				Bonya Mine
BYRC012	609402	7487033	400	114	-60	195	74	77	3	3.72	Bonya Mine
And							82	83	1	2.58	
And							86	87	1	1.46	
And							97	106	9	3.80	
<i>including</i>							97	100	3	8.21	
BYRC011	609423	7487005	400	41	-55	195	8	11	3	2.18	Bonya Mine
<i>including</i>							8	9	1	4.19	
And							14	22	8*	1.64	
BYRC010	609347	7487000	393	78	-60	060	42	43	1	1.20	Bonya Mine
BYRC009	609379	7486962	393	98	-60	010	60	98	38	4.38	Bonya Mine
<i>including</i>							60	66	6	8.75	
<i>including</i>							82	90	8	7.89	
BYRC008	609379	7486978	393	60	-60	010	30	41	11	4.35	Bonya Mine
<i>including</i>							33	36	3	6.13	
BYRC007	608541	7486741	416	120	-60	130	NSR				EM Anom 05
BYRC006	608554	7486707	416	84	-60	130	74	76	2	0.48	EM Anom 05
BYRC005	608586	7486745	415	80	-60	130	NSR				EM Anom 05
BYRC004	607483	7487304	450	115	-60	180	69	70	1	1.21	EM Anom 03
BYRC003	607531	7487304	449	115	-60	180	10	12	2	1.89	EM Anom 03
And							55	57	2	3.14	
BYRC002	608805	7487484	423	108	-60	045	61	65	4	0.26	EM Anom 04
BYRC001	608766	7487527	425	120	-60	045	100	102	2	0.64	EM Anom 04

RC Drill holes BYRC001 to BYRC018 (Table 4) have been reported previously (ASX:RXL 20 October 2014, 5 November 2014, 1 December 2014).

**Table 5: Bonya Diamond Drilling Assay Results**

Hole	East	North	RL	Depth (m)	Dip	Azimuth	From (m)	To (m)	Interval	Cu%	Prospect
BYD002	609388	7487096	402	240.5	-60	169	153.8	154.1	0.3	2.18	Bonya Mine
And							156.6	157.2	0.6	2.07	
BYD001	609380	7486895	402	260.0	-50	005	175.3	176.0	0.7	1.54	Bonya Mine

Notes to Tables:

- New results shown in **bold**.
- Grid coordinates GDA94: Zone 53, collar positions and RL (in AHD) determined by hand held GPS.
- Hole azimuths as shown, downhole deviations may result in hole paths slightly different to those intended.
- RC drilling by reverse circulation face sampling hammer, then 1 metre samples cone split and bagged.
- All RC samples used in calculation of intercepts are 1m except BYRC011 14-22m\* which are 2m composite samples.
- Diamond drilling (hole prefix BYD) by HQ/NQ diamond core, with core cut in half and sampled to either significant geological/mineralogical boundaries or even metre intervals.
- Diamond drill samples weighed in water and air to determine bulk density, and then crushed to 6.5mm. 3-5kg sample preparation by pulp mill to nominal P80/75um.
- Cu analyses by Australian Laboratory Services Ltd., methods ME-ICP61 (0-1% Cu) and ME-OG62 (>1% Cu): Four acid digest with analysis by Inductively Coupled Plasma Optical (Atomic) Emission Spectrometry (ICP-AES).
- Review of laboratory standards and duplicates are within acceptable limits. Certified Reference Standards and field duplicate samples were not inserted.
- Cut-off grade for reporting of intercepts is 1.0% Cu; with up to 2m of internal dilution allowed.
- Given the angle of the drill holes and the interpreted 80-85 degree dip of the mineralised system, reported intercepts will be more than true width.

## **REWARD ZINC-LEAD PROJECT, NT (Rox 49%, Teck 51% with option to increase to 70%)**

Assay results from the remainder of the 2014 drilling program were received and have confirmed mineralisation at Teena now extends over approximately 1.9km in strike length (east-west) and 0.8km in width (north-south) indicating a substantial body of mineralisation. There are a number of stacked mineralised zones which vary in thickness (see Table 6). A total of 6 holes for 4,822m were drilled during 2014 at Teena.

Results received during the quarter include:

TNDD014:	<b>34.4m @ 6.2% Zn+Pb</b> from 652.6m, including <b>4.1m @ 10.4% Zn+Pb</b> from 657.0m <b>4.9m @ 11.8% Zn+Pb</b> from 665.2m, and <b>2.5m @ 10.3% Zn+Pb</b> from 676.5m
TNDD015:	<b>7.0m @ 4.3% Zn+Pb</b> from 807.0m, and <b>3.1m @ 3.7% Zn+Pb</b> from 825.9m
TNDD017:	<b>25.5m @ 9.1% Zn+Pb</b> from 795.9m, including <b>14.7m @ 13.3% Zn+Pb</b> from 801.0m, and <b>6.6m @ 6.6% Zn+Pb</b> from 828.4m, including <b>3.6m @ 9.7% Zn+Pb</b> from 828.4m

Hole TNDD013 was reported last quarter and intersected **35.0m @ 6.1% Zn+Pb** from 665.0m, including **3.0m @ 10.1% Zn+Pb** from 670.0m, and **7.7m @ 9.9% Zn+Pb** from 678.0m.

Hole TNDD016 was drilled to test mineralisation within the Bald Hills Fault Zone. The hole was lost in bad ground at 317.5m before it had fully tested the sequence.

Hole TNDD018 was drilled to test the Teena South prospect where an up-thrown block of prospective rocks was interpreted. The hole did not intersect any mineralisation.

Work planned for the next quarter includes completing a technical report on 2014 activities and results, planning the 2015 program, a core logging review focused on understanding structural and alteration aspects of the system, refinement of the 3D model, and re-logging historic holes from other prospects.

The Reward project is subject to an option/joint venture (JV) agreement between Rox (49%) and Teck Australia Pty Ltd ("Teck") (51%), a subsidiary of Canada's largest diversified resource company Teck Resources Limited. Teck have elected to exercise the option to increase their JV interest to 70% by expending up to \$15 million in total by 31 August 2018.

Over the quarter Teck's provisional unaudited expenditure was \$1.3 million, bringing the total expenditure for 2014 to \$3.0 million. Total expenditure by Teck on the project since commencement of the earn-in agreement is now approximately \$9.8 million.

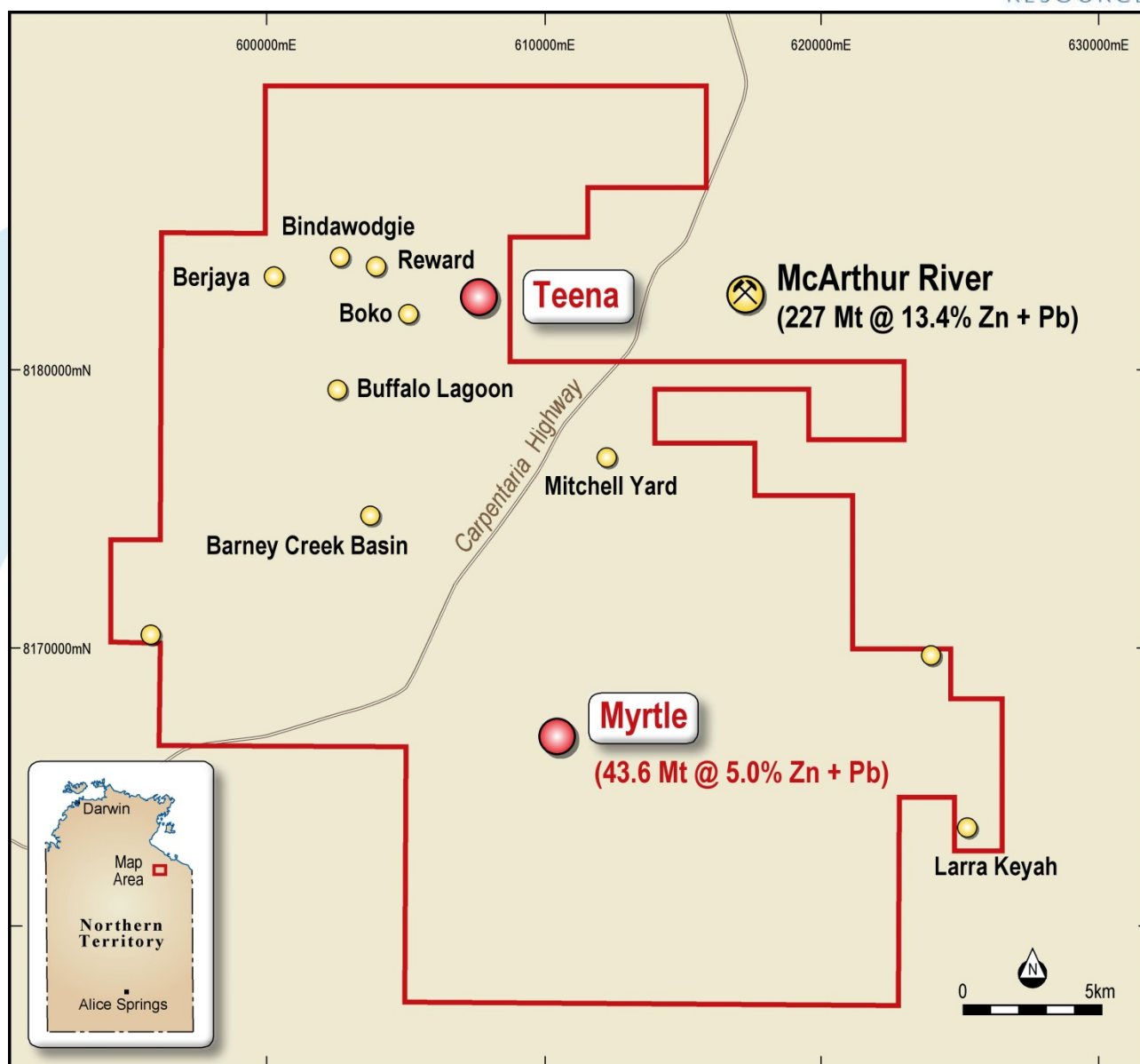


Figure 12: Reward Project Tenement Plan showing prospect locations

(Myrtle Mineral Resource, ASX:RXL 15 March 2010; McArthur River Mineral Resource, Leach et. al., 2005, *Economic Geology* 100<sup>th</sup> Anniversary Volume, pp561-607.



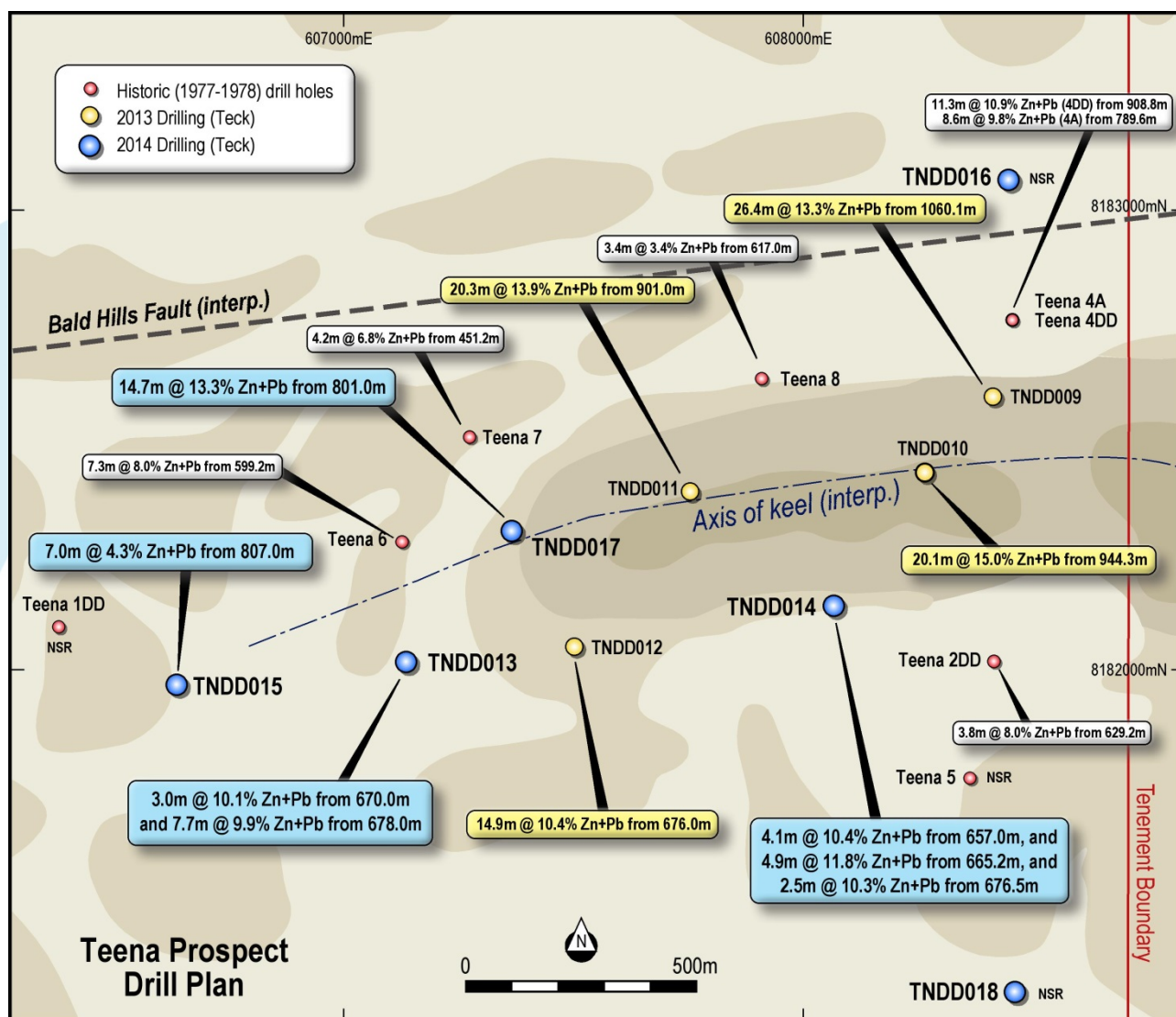


Figure 13: Teena Prospect Drill Plan



Figure 14: High grade stratiform sulphide mineralisation in drill core from hole TNDD017, 802 – 815m

**Table 6: Teena Diamond Drilling Results**

Hole	North	East	RL	From	To	Interval	Zn%	Pb%	Zn+Pb%	Ag ppm
TNDD018	8181261	608462	50	NSR						
TNDD017	8182003	607509	57	795.9	821.4	25.5	7.90	1.23	9.13	0.4
Including				801.0	815.7	14.7	11.53	1.79	13.32	0.3
And				828.4	835.0	6.6	5.82	0.80	6.62	1.5
Including				828.4	832.0	3.6	8.32	1.33	9.65	1.5
And				975.0	977.0	2.0	2.93	0.06	2.99	0.5
TNDD016	8183157	608470	110	NSR						
TNDD015	8181694	606683	52	807.0	814.0	7.0	4.13	0.16	4.29	0.3
And				825.9	829.0	3.1	3.09	0.62	3.71	1.4
TNDD014	8182000	608085	65	652.6	687.0	34.4	5.42	0.78	6.20	0.5
Including				657.0	661.1	4.1	9.19	1.25	10.4	0.8
and including				665.2	670.1	4.9	10.23	1.55	11.8	0.8
and including				676.5	679.0	2.5	8.68	1.59	10.3	0.2
And				710.0	717.0	7.0	3.36	0.23	3.59	0.4
And				788.0	795.1	7.1	2.42	0.55	2.97	0.4
And				798.2	827.0	28.8	2.78	0.68	3.46	0.3
And				838.7	854.0	15.3	2.67	0.64	3.31	0.6
And				858.0	860.0	2.0	2.20	0.64	2.84	1.5
TNDD013	8181842	607152	51	665.0	700.0	35.0	5.38	0.74	6.12	0.9
Including				670.0	673.0	3.0	8.83	1.23	10.06	0.7
and including				678.0	685.7	7.7	8.70	1.21	9.91	1.0
And				824.0	845.0	21.0	2.65	0.73	3.38	0.4
And				857.2	861.0	3.8	2.84	0.37	3.21	2.1
And				868.0	880.0	12.0	2.79	0.34	3.13	1.5
TNDD012	8182035	607500	75	671.0	705.0	34.0	6.53	0.98	7.51	
Including				676.0	690.9	14.9	9.08	1.33	10.41	
Including				676.0	680.5	4.5	10.00	1.37	11.37	
And				684.9	690.9	6.0	12.55	2.02	14.58	
And				807.1	826.0	18.9	2.75	0.74	3.49	
And				836.2	848.0	11.8	2.78	0.56	3.34	
TNDD011	8182035	607877	79	896.0	898.6	2.6	3.97	0.44	4.41	1.5
And				901.0	921.3	20.3	11.99	1.87	13.86	1.5
Including				905.0	921.3	16.3	14.26	2.25	16.51	1.7
Including				907.1	921.3	14.2	15.83	2.53	18.36	1.7
And				937.3	943.0	5.7	7.58	0.98	8.56	2.6
Including				937.3	939.0	1.7	11.06	2.13	13.18	2.8
And				1095.0	1098.0	3.0	3.01	0.01	3.02	
And				1111.0	1119.8	8.8	2.75	0.27	3.02	
TNDD010	8182661	608278	75	908.0	925.1	17.1	2.55	0.46	3.01	1.8
Including				915.0	917.0	2.0	4.96	0.96	5.92	2.2
And				935.0	941.0	6.0	4.63	0.58	5.21	0.9
And				944.3	964.4	20.1	13.00	2.03	15.03	0.9
Including				951.5	964.0	12.5	16.78	2.68	19.46	1.1
Including				954.0	959.0	5.0	21.80	3.62	25.42	1.0
And				967.6	970.1	2.5	3.69	0.57	4.26	0.5
And				988.8	996.6	7.8	7.43	1.28	8.71	0.6
Including				988.8	995.0	6.2	8.50	1.48	9.98	0.7

<i>Including</i>				988.8	992.0	3.2	10.73	2.00	12.73	1.0
And				1116.0	1119.0	3.0	3.19	1.05	4.24	0.3
And				1124.0	1133.7	9.7	4.04	1.61	5.65	1.1
<i>Including</i>				1125.4	1128.2	2.9	7.64	2.70	10.35	1.9
<i>Including</i>				1125.4	1127.0	1.7	8.76	3.04	11.80	2.6
And				1149.0	1151.0	2.0	2.09	0.72	2.81	1.8
And				1157.0	1166.0	9.0	2.54	0.93	3.47	1.8
And				1169.0	1191.0	22.0	3.09	0.81	3.90	1.2
<i>Including</i>				1177.0	1179.0	2.0	4.07	1.45	5.52	1.1
And				1212.2	1232.0	19.8	2.13	0.57	2.70	0.8
And				1244.0	1246.0	2.0	3.38	0.07	3.45	3.0
And				1251.0	1255.0	4.0	2.81	0.07	2.88	2.2
TNDD009	8182793	608474	72	1012.0	1018.0	6.0	2.81	0.36	3.17	3.2
And				1020.6	1039.0	18.4	3.14	0.56	3.70	2.0
<i>Including</i>				1022.0	1024.0	2.0	4.87	0.80	5.67	3.2
<i>Including</i>				1028.0	1031.0	3.0	4.59	0.77	5.37	2.9
And				1049.0	1056.0	7.0	4.83	0.57	5.40	0.7
And				1060.1	1086.5	26.4	11.59	1.73	13.32	0.8
<i>Including</i>				1060.1	1068.2	8.1	7.74	0.98	8.71	0.6
<i>And including</i>				1070.3	1086.5	16.2	14.91	2.32	17.23	1.0
<i>Including</i>				1071.0	1079.0	8.0	18.36	2.87	21.24	0.9
And				1089.5	1092.3	2.8	3.50	0.42	3.92	0.7
And				1121.0	1127.9	6.9	7.97	0.95	8.92	1.0
<i>Including</i>				1121.0	1126.0	5.0	9.48	1.21	10.70	1.1
And				1276.1	1281.0	4.9	2.89	0.91	3.80	2.0
<i>Including</i>				1278.1	1281.0	2.9	3.77	1.22	4.99	2.9

Diamond drill holes TNDD009 – TNDD018 (Table 6) have been reported previously (ASX:RXL 5 August 2013, 26 August 2013, 18 September 2013, 11 October 2013, 27 October 2014, 10 November 2014, 15 December 2014).

#### Hole Collar Coordinates

Hole	North	East	RL	Dip	Azimuth	Total Depth (m)
TNDD018	8181261	608462	50	-75	343	359.4
TNDD017	8182003	607509	57	-65	335	1320.8
TNDD016	8183157	608470	110	-70	170	317.6
TNDD015	8181694	606683	52	-70	350	858.0
TNDD014	8182000	608085	65	-75	351	961.0
TNDD013	8181842	607152	51	-72	349	1005.5
TNDD012	8182000	607500	75	-85	355	1005.8
TNDD011	8182035	607877	79	-70	340	1221.6
TNDD010	8182661	608278	75	-75	174	1383.3
TNDD009	8182793	608474	70	-80	175	1302.0



Notes:

- Grid coordinates GDA94: Zone 53, Collar positions & RL's variably determined by hand held GPS and/or DGPS.
- Correct projected average lateral positions of down hole intercepts are shown on the Figures.
- Hole dip and azimuth determined at collar by compass and clinometer.
- Diamond drilling by HQ and NQ diamond core, with core cut in half and sampled to either logged significant geological boundaries or even 1 metre intervals. Core recovery generally exceeded 98%.
- Duplicate core samples were quarter cut.
- Cut core samples were crushed to nominal 2mm size, then a 3kg split pulverised to nominal 85% passing 75um.
- Samples sent to Bureau Veritas, Mount Isa, with assay by oxidative fusion with XRF analysis (XF001). This method is considered to completely extract Pb and Zn and is a ISO17025 certified method.
- 3 Certified Reference Materials that range from low grade to high grade Zn (30%) were included in the dispatch at a rate of at least 1 sample in 20, with a higher frequency in mineralized intervals. Field duplicates were included in the dispatch and were sent to the laboratory blind. Blanks were included in the dispatch at a rate of 1 in 40 samples.
- All quality control data has been assessed to be within an acceptable level of accuracy and precision.
- Independent assay verification has not yet been completed.
- Weighted average grade by sample interval quoted using a cut-off grade of 2.5% Zn+Pb over a minimum width of 2m, with up to 2m of internal dilution allowed. Internal higher grade zones are selected at a 6% Zn+Pb cut-off grade or higher.
- Reported intercepts may exceed the true width; no sampling bias is believed to have been introduced however. Based on structural measurements and downhole surveys, for hole TNDD009 true thickness is believed to be about 60% of downhole thickness, for holes TNDD010 - TNDD017 true thickness is 80-90% of downhole thickness.

## CORPORATE

Cash at the end of the quarter was approximately \$2.9 million.

Dated this 28<sup>th</sup> day of January 2015.

Signed on behalf of the Board of Rox Resources Limited.



**IAN MULHOLLAND**  
Managing Director

### Competent Person Statements:

*The information in this report that relates to new Exploration Results for the Mt Fisher and Bonya Projects is based on information compiled by Mr Ian Mulholland BSc (Hons), MSc, FAusIMM, FAIG, FSEG, MAICD, who is a Fellow of The Australasian Institute of Mining and Metallurgy and a Fellow of the Australian Institute of Geoscientists. Mr Mulholland has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Mulholland is a full time employee and Managing Director of the Company and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*The information in this report that relates to nickel Mineral Resources for the Mt Fisher project was reported to the ASX on 3 October 2013 and 4 September 2014. Rox confirms that it is not aware of any new information or data that materially affects the information included in the announcements of 3 October 2013 and 4 September 2014, and that all material assumptions and technical parameters underpinning the estimates in the announcements of 3 October 2013 and 4 September 2014 continue to apply and have not materially changed.*

*The information in this report that relates to previous Exploration Results and Mineral Resources for the Reward Zinc-Lead, and Bonya Copper projects and for the gold Mineral Resource defined at Mt Fisher, 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. 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 on the basis that the information has not materially changed since it was last reported.*

*All reports are based on information compiled by Mr Ian Mulholland BSc (Hons), MSc, FAusIMM, FAIG, FSEG, MAICD, who is a Fellow of The Australasian Institute of Mining and Metallurgy and a Fellow of the Australian Institute of Geoscientists. Mr Mulholland has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 and 2012 Editions of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Mulholland is a full time employee of the Company and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

## About Rox Resources

Rox Resources Limited is an emerging Australian minerals exploration company. The company has four key assets at various levels of development with exposure to gold, nickel, zinc, lead, copper and phosphate, including the Mt Fisher Gold Project (WA), Myrtle/Reward Zinc-Lead Project (NT), the Bonya Copper Project (NT) and the Marqua Phosphate Project (NT).

### Mt Fisher Gold-Nickel Project (100% + Option to Purchase \$2.5 million to pay)

The Mt Fisher gold project is located in the highly prospective North Eastern Goldfields region of Western Australia and in addition to being well endowed with gold the project hosts strong nickel potential. The total project area is 655km<sup>2</sup>, consisting of a 485km<sup>2</sup> area 100% owned by Rox and an Option to purchase 100% of a further 170km<sup>2</sup>.

Recent drilling at the Camelwood and Musket nickel prospects has defined a JORC 2012 Mineral Resource (ASX:RXL 3 October 2013 and 4 September 2014) of **3.6Mt grading 2.0% nickel** reported at 1.0% Ni cut-off (Indicated Mineral Resource: 1.8Mt grading 2.2% Ni, Inferred Mineral Resource: 1.9Mt grading 1.8% Ni) comprising massive and disseminated nickel sulphide mineralisation, and containing 72,100 tonnes of nickel. Higher grade mineralisation is present in both deposits (refer to ASX announcements above), and is still open at depth beneath each deposit. The nickel Mineral Resource occurs partly on tenements under Option to Purchase to Rox, with an exercise price payable as follows: \$0.2 million by 31 December 2014, and \$2.3 million by 30 June 2015.

Drilling by Rox has also defined numerous high-grade gold targets and a JORC 2004 Measured, Indicated and Inferred Mineral Resource (ASX:RXL 10 February 2012) of **973,000 tonnes grading 2.75 g/t gold** reported at a 0.8 g/tAu cut-off exists for 86,000 ounces of gold (Measured: 171,900 tonnes grading 4.11 g/t Au, Indicated: 204,900 tonnes grading 2.82 g/t Au, Inferred: 596,200 tonnes grading 2.34 g/t Au) aggregated over the Damsel, Moray Reef and Mt Fisher deposits.

### Reward Zinc-Lead Project (49% + Farm-out Agreement)

Rox has signed an Earn-In and Joint Venture Agreement with Teck Australia Pty Ltd. ("Teck") to explore its highly prospective 670km<sup>2</sup> Myrtle/Reward zinc-lead tenements, located 700km south-east of Darwin, Northern Territory, adjacent to the McArthur River zinc-lead mine.

The Myrtle zinc-lead deposit has a current JORC 2004 Mineral Resource (ASX:RXL 15 March 2010) of **43.6 Mt @ 5.04% Zn+Pb** reported at a 3.0% Zn+Pb cut-off (Indicated: 5.8 Mt @ 3.56% Zn, 0.90% Pb; Inferred: 37.8 Mt @ 4.17% Zn, 0.95% Pb).

Recent drilling at the Teena zinc-lead prospect intersected **26.4m @ 13.3% Zn+Pb** including **16.2m @ 17.2% Zn+Pb, and 20.1m @ 15.0% Zn+Pb** including **12.5m @ 19.5% Zn+Pb**, and together with historic drilling has defined significant high grade zinc-lead mineralisation over a strike length of at least 1.5km (ASX:RXL 5 August 2013, 26 August 2013, 18 September 2013, 11 October 2013).

Under the terms of the Agreement, Teck has now met the expenditure requirement for a 51% interest, with Rox holding the remaining 49%. Teck has elected to increase its interest in the project to 70% by spending an additional A\$10m (A\$15m in total) by 31 August 2018 (ASX:RXL 21 August 2013).

### Bonya Copper Project (Farm-in Agreement to earn up to 70%)

In October 2012 Rox signed a Farm-in Agreement with Arafura Resources Limited (ASX:ARU) to explore the Bonya Copper Project located 350km east of Alice Springs, Northern Territory. Outcrops of visible copper grading up to 34% Cu and 27 g/t Ag are present, with the style of mineralisation similar to the adjacent Jervois copper deposits (see ASX:KGL). EM surveys defined a number of anomalies that could represent sulphide mineralisation at depth (ASX:RXL 5 August 2014). Drill testing has intersected visible copper mineralisation at three prospects, with massive copper sulphides intersected at the Bonya Mine prospect, including **38m @ 4.4% Cu** and **11m @ 4.4% Cu** (ASX:RXL 20 October 2014).

Under the Farm-in Agreement Rox can earn a 51% interest in the copper, lead, zinc, silver, gold, bismuth and PGE mineral rights at Bonya by spending \$500,000 by December 2014. Rox can then elect to earn a further 19% (for 70% in total) by spending a further \$1 million by December 2016. Once Rox has earned either a 51% or 70% interest it can form a joint venture with Arafura to further explore and develop the area.

APPENDIX 5B

Mining Exploration Entity Quarterly Report

Name of entity

ROX RESOURCES LIMITED

ACN or ARBN

107 202 602

Quarter ended ("current quarter")

31 December 2014

Consolidated statement of cash flows

	Current Quarter A\$'000	Year to Date (6 months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for: (a) exploration and evaluation	(1,306)	(2,894)
(b) development	-	-
(c) production	-	-
(d) administration	(424)	(699)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	21	32
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other	-	-
<b>Net Operating Cash Flows</b>	<b>(1,709)</b>	<b>(3,561)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	(303)	(303)
(b) equity investments	-	-
(c) other fixed assets	(16)	(16)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other -	-	-
<b>Net investing cash flows</b>	<b>(319)</b>	<b>(319)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(2,028)</b>	<b>(3,880)</b>

1.13 Total operating and investing cash flows (brought forward)	(2,028)	(3,880)
<b>Cash flows related to financing activities</b>		
1.14 Proceeds from issues of shares (net of costs)	-	4,241
1.15 Proceeds from sale of forfeited shares	-	-
1.16 Proceeds from borrowings	-	-
1.17 Repayment of borrowings	-	-
1.18 Dividends paid	-	-
1.19 Other	-	-
<b>Net financing cash flows</b>	-	4,241
<b>Net increase (decrease) in cash held</b>	(2,028)	361
1.20 Cash at beginning of quarter/year to date	4,947	2,558
1.21 Exchange rate adjustments to 1.20	-	-
1.22 <b>Cash at end of quarter</b>	2,919	2,919

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

	Current quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	131
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

N/A

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

During the quarter Teck Australia Pty Ltd expended \$1.3 million towards its earn-in on the Reward Joint Venture in Northern Territory.



### Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	500
4.2 Development	-
4.3 Production	-
4.4 Administration	300
<b>Total</b>	<b>800</b>

### Reconciliation Of Cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	891	2,439
5.2 Deposits at call	2,028	2,508
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>2,919</b>	<b>4,947</b>

### Changes in interests in mining tenements – Refer to Annexure 1 for list of all mining tenements.

	Tenement reference	Nature of Interest	Interest at beginning of quarter	Interest at end of quarter
6.1 Interest in mining tenements relinquished, reduced or lapsed	-	-	-	-
6.2 Interest in mining tenements acquired or increased	E53/1788	Option	-	-
	E53/1802	Option	-	-
	EL29701	JV	-	51%

**Issued and quoted securities at end of current quarter**

**Compliance statement**

	Total number	Number quoted	Issue price per security (cents)	Amount paid up per security (cents)
7.1 <b>Preference securities</b> <i>(description)</i>	-			
7.2 Changes during quarter	-			
7.3 <b>Ordinary securities</b>	849,673,095	849,673,095		
7.4 Changes during quarter				
- Issued	-	-		
- Options exercised	-	-		
7.5 <b>Convertible debt securities</b> <i>(description and conversion factor)</i>	-			
7.6 Changes during quarter	-			
7.7 <b>Options</b> <i>(description and conversion factor)</i>			<i>Exercise Price</i>	<i>Expires</i>
	6,000,000	Nil	\$0.025	30 Nov 2015
	1,250,000	Nil	\$0.057	28 Feb 2017
	21,437,301	Nil	\$0.08	31 Mar 2017
	17,500,000	Nil	\$0.056	30 Nov 2017
7.8 Issued during quarter	17,500,000	Nil	\$0.056	30 Nov 2017
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	550,000	Nil	\$0.047	30 Nov 2014
7.11 <b>Debentures</b> <i>(totals only)</i>	-	-	-	-
7.12 <b>Unsecured notes</b> <i>(totals only)</i>	-	-		

### Compliance Statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX.
2. This statement does give a true and fair view of the matters disclosed.

Sign here:

Date: 28 January 2015

A handwritten signature in black ink, appearing to read "Brett Dickson", written over a light blue circular graphic element.

Company Secretary

Print Name: Brett Dickson

## Annexure 1 – Mining Tenements

Project	Tenement Number	Interest	Interest Held
Reward, NT	EL10316	All Minerals	49%
	EL26406*	All Minerals except Diamonds	49%
	EL27541	All Minerals	49%
	EL30042*	All Minerals except Diamonds	49%

Teck Australia Pty Ltd is earning a 70% interest in all of the Reward project tenements

\* Legend International Holdings has rights to diamonds on EL26406 and portions of EL30042

Mt Fisher, WA	E53/1061	All Minerals	100%
	E53/1106	All Minerals	100%
	E53/1218	All Minerals	100%
	E53/1219	All Minerals	100%
	E53/1250	All Minerals	100%
	E53/1716	All Minerals	100%
	M53/09	All Minerals	100%
	P53/1625	All Minerals	100%

Rox Resources holds an option to acquire 100% of the following Mt Fisher tenements

E53/1318	All Minerals	-
E53/1319	All Minerals	-
E53/1465	All Minerals	-
E53/1788	All Minerals	-
E53/1802	All Minerals	-
P53/1496	All Minerals	-
P53/1497	All Minerals	-
M53/127	All Minerals	-

Bonya	EL29701**	Cu, Pb, Zn, Au, Ag, Bi, PGE'S	51%
	EL29599	All Minerals	100%

\*\* Rox may earn up to a 70% interest in this tenement