

13 May 2015

Dear Shareholder

Offer to participate in Rox's Share Purchase Plan

The Directors of Rox Resources Limited ("**Rox**" or "**Company**") are pleased to extend an invitation to eligible shareholders to participate in the Company's Share Purchase Plan ("**Plan**") which was announced by the Company to the Australian Securities Exchange ("**ASX**") on 11 May 2015 ("**Announcement Date**").

The Plan allows eligible shareholders to purchase up to \$15,000 worth of fully paid ordinary shares in the Company ("**Shares**") without any brokerage or transaction costs.

The issue price will be determined at the issue date of Shares under the Plan based on a 20% discount to the volume weighted average price of Rox shares traded on the ASX during the 5 days on which Shares traded on the ASX immediately prior to the issue date of the Shares.

The offer of Shares under the Plan is open to all Eligible Shareholders (as defined in the attached Offer) as at 5:00pm (WST) on 8 May 2015 ("**Record Date**").

The Plan seeks to raise up to \$3,000,000 ("**Offer Amount**"). The Plan is fully underwritten by Patersons Securities Limited who is acting as Lead Manager and Underwriter to the Plan. The Directors reserve the right, in consultation with the Underwriter and subject to the ASX Listing Rules, to expand the size of the Plan and to scale back acceptances at their discretion.

This is an opportunity for Eligible Shareholders to take advantage of prevailing market conditions and to participate in the future growth of the Company. Funds raised through the Plan will be used to make the final option payment for the Fisher East Nickel Project which will deliver a 100% unencumbered ownership to Rox and for general working capital. Further details on the Fisher East Nickel Project and the Company's other projects are set out below.

The Plan allows Eligible Shareholders, irrespective of the size of their shareholding, to apply for one of the following parcels of Shares:

Offer	Value
A	\$1,000
B	\$2,500
C	\$5,000
D	\$7,500
E	\$10,000
F	\$15,000

Participation in the Plan is entirely optional. Offers under the Plan are non-renounceable, meaning that you are not permitted to transfer your rights to subscribe for Shares under the Plan.

If, after reading the attached Offer, you wish to participate in the Plan you must complete the attached personalised Application Form and return it together with payment for the exact application monies in Australian dollars to the Company's Share Registry **on or before 5.00pm (WST) on 29 May 2015**. Alternatively, you may make a payment directly via BPAY® in accordance with the instructions set out in the Application Form.

Fisher East Nickel Project (Rox option to acquire 100% ownership)

The Fisher East Project is highly prospective for the discovery of nickel sulphide deposits. Over the last two and one half years the Company has made the following 4 discoveries:

- Camelwood – discovered December 2012
- Musket – discovered December 2013
- Cannonball – discovered December 2013
- Sabre – discovered March 2015

Both the Camelwood and Musket deposits have JORC mineral resource estimates completed (combined **3.6Mt grading 2.0% nickel¹**). A resource estimate is expected for Cannonball in the next half year and Sabre, being newly discovered, requires more drilling.

A Scoping Study, conducted by CSA Global Pty Ltd², found that the Fisher East Nickel Sulphide project was a financially robust and technically low risk project. The following two conceptual development options were examined:

- Build a process plant (500Ktpa) on site (Base Case)
- Toll mill at a nearby processing facility (Toll Case)

Up-front capital requirements were relatively low at \$85.0M for the Base Case and \$20.8M for the Toll Case. Standard industry underground mining techniques would be used and under both cases the cash operating costs would be similar to nickel sulphide operations in the Kambalda district (\$207/t for the Base Case and \$217.1/t for the Toll Case).

Average Run of Mine (ROM) ore recovery was 88% with a standard industry flotation route producing a clean, saleable nickel sulphide concentrate.

Based on the excellent outcomes of the Scoping Study the Company has:

- a) commenced drilling to expand the existing Mineral Resources;
- b) commenced further exploration at the Sabre, Tomahawk, Cutlass and Corktree prospects;
- c) commenced baseline environmental studies in preparation for mining approvals,
- d) flown airborne magnetics, and radiometrics and VTEM over the newly acquired southern option tenement; and
- e) commenced discussions with possible third party processing facilities.

¹ (ASX:RXL 3 October 2013 and 4 September 2014)

² (ASX:RXL 17 February 2015)

Reward Project (Rox 49%; Teck 51% with option to increase to 70%)

The Reward project includes the Teena prospect which has every indication of being a very large zinc-lead deposit with mineralisation defined over a 1.9km strike length (east-west) and 0.8km across (north-south).

The project is 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 is increasing its interest to 70% by expending \$15 million by 31 August 2018. To date, Teck has spent approximately \$10 million.

Teck has advised an exciting work program for 2015 which will involve further diamond drilling, geo-metallurgy, geotechnical analysis, deep seeing ground geophysics and baseline environmental studies at Teena, and regional exploration on the remainder of the tenements.

Of particular interest to the Company is the performance of zinc and its outlook for the next few years. The zinc price has risen 27% in A\$ terms over the last 15 months, and 9.4% in the last 3 months.

Rox’s interest in the Reward zinc project, and in particular the highly prospective Teena prospect makes Rox an excellent ASX-listed exposure to the predicted rising zinc price over the coming months.

Bonya Project (Rox 51%, moving to 70% ownership)

Late last year the Company discovered high grade copper mineralisation at Bonya. Based on that discovery several known outcrops of copper oxide mineralisation now represent excellent drill targets. In particular, the Green Hoard and Fat Cow prospects have outcrops of copper oxide over significant strike lengths (200m and 400m respectively) and represent very promising targets which will be tested later this year.

The rest of 2015 promises to be a period of high activity with continued news flow.

If you have any questions on our future activities or how to participate in the Plan, please contact us on 08 9226 0044. We look forward to your continued support.

Yours sincerely

Jeff Gresham
Chairman

Competent Person Statements:

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 of mineral resources in the announcements of 3 October 2013 and 4 September 2014 continue to apply and have not materially changed.

ROX RESOURCES LIMITED - SHARE PURCHASE PLAN

1. Offer

This Offer entitles Eligible Shareholders (see paragraph 2 below) in Rox Resources Limited (**Company**) to subscribe through the Company's Share Purchase Plan (**Plan**) for a maximum of \$15,000 worth of fully paid ordinary shares in the Company (**Shares**) in accordance with the following terms and conditions (**Offer**). Subject to paragraph 4.10, the Plan will raise up to \$3,000,000. The Plan is fully underwritten by Patersons Securities Limited who is acting as Lead Manager and Underwriter to the offer.

2. Eligibility

2.1 The Offer is only open to Eligible Shareholders, being persons:

- (a) who are registered in the Company's share register at 5.00pm (WST) on 8 May 2015 (**Record Date**), as registered holders of Shares; and
- (b) who have a registered address (as recorded in the Company's share register) in Australia or New Zealand.

2.2 No action has been taken to register or qualify the Shares or the Offer or otherwise to permit an offering of the Shares in any jurisdiction outside Australia and New Zealand. Recipients may not send or otherwise distribute this Offer or the Application Form to any person outside Australia (other than to Eligible Shareholders). Neither this Offer nor the Application Form constitutes an offer of securities for sale into the United States of America.

2.3 The Offer to Eligible Shareholders with registered addresses in New Zealand is made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand). Members of the public in New Zealand who were not existing Shareholders on the Record Date are not entitled to apply for any Shares.

2.4 For the purposes of determining Eligible Shareholders:

- (a) joint holders of Shares are taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder; and
- (b) where a trustee or nominee is expressly noted on the Company's share register as holding Shares on account of a named beneficiary, the named beneficiary will be taken to be the registered holder of those Shares, and on application for Shares under the Plan, certification or issue of Shares to the trustee or nominee will be taken to be an application or certification by, or an issue to, the named beneficiary.

2.5 If you are a Custodian and hold Shares on behalf of one or more persons resident in Australia and New Zealand (each a **Participating Beneficiary**), you may be entitled to apply for up to \$15,000 worth of Shares for each Participating Beneficiary, subject to you providing a certificate to the Company containing the information prescribed in ASIC Class Order 09/425 as modified by ASIC Class Orders 10/105, 10/789 and 11/162 (**Custodian Certificate**).

Custodians should request a Custodian Certificate when making an application on behalf of a Participating Beneficiary. To request a Custodian Certificate and if you would like further information on how to apply, you should contact the Company's

share registry, Computershare Investor Services Pty Limited on custodians@computershare.com.au.

For the purposes of this Offer, a Custodian is a person that:

- (a) holds an Australian financial services licence that:
 - (i) covers the provision of a custodial or depositary service; or
 - (ii) includes a condition requiring the holder to comply with the requirements of ASIC Class Order 02/294; or
- (b) is exempt under:
 - (i) paragraph 7.6.01(1)(k) of the *Corporations Regulations 2001* (Cwth) (**Corporations Regulations**);
 - (ii) paragraph 7.6.01(1)(na) of the Corporations Regulations; or
 - (iii) ASIC Class Order 05/1270 to the extent that it relates to ASIC Class Order 03/184;
 - (iv) ASIC Class Orders 03/1099, 03/1100, 03/1101, 03/1102, 04/839 or 04/1313;
 - (v) an individual instrument of relief granted by ASIC to the person in terms similar to one of the class orders referred to in subparagraph (iv); or
 - (vi) paragraph 911A(2)(h) of the Corporations Act;from the requirement to hold an Australian financial services licence for the provision of a custodial or depositary service; or
- (c) is a trustee of a:
 - (i) self-managed superannuation fund; or
 - (ii) superannuation master trust; or
- (d) is the responsible entity of an IDPS-like scheme; or
- (e) is the registered holder of Shares or interests in the class or interests in the class and is noted on the register of members of the Company as holding the Shares or interests on account of another person.

2.6 The directors of the Company, as Eligible Shareholders, may participate in the Offer on the same terms and conditions as all other Eligible Shareholders and their participation is not subject to shareholder approval.

3. Issue Price

3.1 The issue price will be determined at the issue date of Shares under the Plan and will be at a discount of no more than 20% to the volume weighted average price of the Company's Shares that traded on the ASX during the 5 days immediately prior to the issue date of the Shares.

3.2 Shareholders should note that the market price of Shares may rise or fall between the date of this Offer and the date the Shares are issued (**Issue Date**). This means that the issue price you pay for the Shares may be either higher or lower than the price of Shares on the date of the Offer.

- 3.3 No brokerage, commissions or other transaction costs are payable by Eligible Shareholders under the Offer.

4. Number of Shares Offered

- 4.1 The maximum number of Shares that are able to be issued under the Plan in order to comply with ASX Listing Rules requirements is 30% of the number of ordinary shares in Rox currently on issue (being a maximum of approximately 255 million Shares). The actual number of Shares issued under this Plan will depend on the issue price (see paragraph 3.1).
- 4.2 The Offer is fully underwritten by Patersons Securities Limited (**Underwriter**). In the event that Eligible Shareholders do not subscribe for at least \$3,000,000 of Shares under the Plan then the Underwriter will apply for any shortfall Shares up to a maximum value of \$3,000,000.
- 4.3 The Underwriter will charge the Company an Issue Management Fee of 1.0% of the total gross amount raised under the Plan, and an Underwriter/Selling Fee of 5.0% of the gross amount underwritten by the Underwriter. The Underwriting Agreement contains customary conditions, warranties and undertakings and is subject to various termination events exercisable by the Underwriter. The placement of any shortfall Shares to the Underwriter is subject to capacity being available under the Company's 15% placement capacity.
- 4.4 Eligible Shareholders may apply for the following number of Shares:

Offer	Value
A	\$1,000
B	\$2,500
C	\$5,000
D	\$7,500
E	\$10,000
F	\$15,000

- 4.5 The maximum investment for each Eligible Shareholder is \$15,000 and the minimum investment is \$1,000.
- 4.6 The total cost of Shares purchased by each Eligible Shareholder (including through joint holdings, multiple share accounts or any holding which they have a beneficial interest) must not exceed \$15,000.
- 4.7 No fractions of Shares will be issued. Any fraction of a Share will be rounded up to the nearest whole number of Shares.
- 4.8 The Offer is non-renounceable. This means that Eligible Shareholders cannot transfer their entitlement to purchase Shares under the Plan to another person.
- 4.9 Subject to paragraph 4.10 below, if the Company receives applications for more than \$3,000,000 of Shares under the Plan, it may in its absolute discretion, undertake a scale-back to the extent and in the manner it sees fit. If there is a scale-back you may not receive all the Shares for which you have applied. If a scale-back produces a fractional number when applied to your application, the number of Shares you will be allotted will be rounded up to the nearest whole number of Shares and any monies promptly refunded to you without interest.

- 4.10 The Directors reserve the right, in consultation with the Underwriter and subject to the ASX Listing Rules, to expand the size of the Plan and accept subscriptions above \$3,000,000.
- 4.11 If applications under the Offer total an amount less than \$3,000,000, the amount of shortfall Shares up to the underwritten amount will be taken up by the Underwriter.

5. Timetable

- 5.1 The indicative timetable for the Plan is as follows:

Event	Date
Record Date	5.00pm (WST) on 8 May 2015
Announcement Date	11 May 2015
Dispatch of Offer and Application Forms to Eligible Shareholders	13 May 2015
Opening date for acceptances	13 May 2015
Closing Date for acceptances (Closing Date)	5.00pm (WST) on 29 May 2015
Allotment Date	5 June 2015
Dispatch of holding statements	8 June 2015

- 5.2 These dates are indicative only. The Company may, in consultation with the Underwriter, vary the date and times of the Offer (including shortening or extending the Closing Date) without notice.
- 5.3 Shares issued under the Plan will be issued no later than 5 business days from the close of the Offer. The Company will apply for the issued Shares to be quoted on the ASX, within the relevant period specified in the ASX Listing Rules.

6. How to accept the Offer

6.1 Eligible Shareholders wishing to accept the Offer for Shares under the Plan have two payment options – by cheque or BPAY®, details of which are set out below. Please do not forward cash. Receipts for payment will not be issued. Cheques will only be accepted if they are drawn in Australian currency on an Australian financial institution. Application money will not bear interest under any circumstances. The Company will pay any brokerage or transaction costs.

6.2 **To pay by cheque** you must:

- (a) complete the accompanying Application Form in accordance with the instructions set out in that form;
- (b) prepare a cheque for the appropriate amount in Australian dollars, payable to “Rox Resources Limited”; and
- (c) send the Application Form and cheque to the Share Registry;

The completed Application Form and your cheque must be received by the Closing Date of 5.00pm (WST) on 29 May 2015. Applications received after that time may not be accepted.

6.3 **To pay by BPAY** you must use the personalised reference number shown on your Application Form which is required to identify your holding. If you make your payment using BPAY, you do not need to return your Application Form.

Eligible Shareholders should be aware that their own financial institution may implement earlier cut-off times with regards to electronic payment. It is the responsibility of each Applicant to ensure that the Application money is submitted through BPAY with sufficient time for it to be processed by their own financial institution and received by the Company no later than 3.00pm (WST) on the Closing Date.

6.4 By completing and returning the Application Form or paying by BPAY, you:

- (a) acknowledge that you have read and understood the terms and conditions of this Offer (including the risks) and subscribe for Shares in accordance with these terms and conditions;
- (b) acknowledge that your application will be irrevocable and unconditional (and cannot be withdrawn);
- (c) agree to pay the Issue Price per Share up to a maximum of the value selected on the Application Form (which cannot exceed \$15,000);
- (d) warrant you are an Eligible Shareholder;
- (e) warrant that you are eligible under all applicable securities laws to receive an offer under the Plan;
- (f) certify that you have not applied for Shares with an aggregate application price in excess of \$15,000 under the Plan or any similar arrangements in the 12 months prior to the date of application, even though you may have received more than one offer under the Plan or received offers in more than one capacity under the Plan;
- (g) authorise the Company (and each of its officers and agents) to correct any error in, or omission from, the Application Form and complete the Application Form by inserting any missing details;

- (h) acknowledge that the Company may at any time irrevocably determine that your application is valid, in accordance with these terms and conditions, even if the Application Form is incomplete, contains errors or is otherwise defective;
- (i) acknowledge that neither the Company, nor the Share Registry has provided any investment advice or financial product advice, and that neither has any obligation to provide this advice;
- (j) acknowledge that the Company (and each of its officers and agents) is not liable for any consequences of the exercise or non-exercise of its discretions referred to in paragraph 8 below; and
- (k) agree to be bound by the Company's constitution.

7. Rights attaching to Shares

All Shares issued under the Plan will be issued on the same terms as the other Shares quoted on ASX and once issued, will rank equally with existing Shares. The Company will apply for the Shares to be quoted on ASX. It is anticipated that Shares issued under the Plan will be quoted on ASX on, or shortly after, the Issue Date. Holding Statements for the Shares issued under the Plan will be sent to Eligible Shareholders who have participated in the Plan. If you trade any Shares before you receive your Holding Statement, then you do so at your own risk.

8. Company's discretions regarding Applications

- 8.1 The Company has the right to accept or reject any applications under the Plan, including where:
- (a) an Application Form is incorrectly completed or incomplete or otherwise determined by the Company to be invalid;
 - (b) a cheque is dishonoured or has not been completed correctly;
 - (c) a cheque is not made out for the exact value of Shares you have selected on the Application Form;
 - (d) the Application money is not submitted through BPAY within sufficient time for it to be received by the Company;
 - (e) it appears that an Eligible Shareholder is applying for more than \$15,000 (in aggregate) of Shares;
 - (f) an Application Form is received after the Closing Date. (While the Company may accept late Application Forms and cheques, there is no assurance that it will do so. Late Application Forms and cheques, if not processed, will be returned to the shareholder's registered address); or
 - (g) the Company reasonably believes that the applicant is not an Eligible Shareholder.
- 8.2 If the Company rejects, or partially rejects, an application (including by way of scale-back) or terminates the Plan, the Company will promptly return to the Eligible Shareholder the relevant subscription monies, without interest.
- 8.3 The Company reserves the right to waive strict compliance with any of the terms and conditions of the Plan and Offer.

- 8.4 If the Company is not satisfied with the Custodian Certificate, the Company cannot issue Shares to the Custodian on behalf of the Participating Beneficiary.
- 8.5 The Company may determine, in any manner it thinks fit, any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Plan, whether generally or in relation to any participant or application. A determination made by the Company will be conclusive and binding on all participants and other persons to whom the determination relates.
- 8.6 The Company may change, suspend or terminate the Plan and Offers at any time whether because of a change of law, ASX, ASIC requirements or policy or any other relevant circumstance. If the Company does this, it will post a notice on its website and make an announcement to the ASX. Failure to notify shareholders of changes to or the suspension or termination of the Plan and Offer, will not invalidate the change, suspension or termination.
- 8.7 The Company reserves the right to issue no Shares or fewer Shares than an Eligible Shareholder applies for under the Plan if the Company believes the issue of those Shares would contravene ASIC requirements or policy, any law or any ASX Listing Rule.

9. Participation optional

Participation in the Plan is entirely at the option of each Eligible Shareholder. If you are in any doubt as to whether you should participate in the Plan or how such participation will affect you (including taxation implications), you should contact your professional adviser. The Company makes no recommendations as to the desirability or otherwise of your participation in the Plan.

10. Risk factors

- 10.1 Before deciding whether to accept the Offer, you should refer to the current market price of the Company's Shares, which can be obtained from daily newspapers, stockbroker, financial adviser or the ASX.
- 10.2 Owning shares in the Company is considered a speculative form of investment and that the future price of the Company's shares can rise or fall.
- 10.3 Shareholders should be aware that there is a risk that the market price of the shares may change between the date of this Offer and the date when the new shares are issued to you under the Plan. The value of the Shares you receive may rise or fall accordingly.
- 10.4 Shareholders should note that the offer is not made under a prospectus or other disclosure document and does not require the type of disclosure required under the Corporations Act 2001 (Cwlth). Shareholders must rely on their own knowledge of the Company and previous disclosures made by the Company on the ASX. You should consult your professional adviser when deciding whether or not to accept the offer and participate in the Plan.

11. Privacy

- 11.1 By completing the Application Form, you will be providing personal information to the Company. The Privacy Act 1988 (Cwlth) governs the use of a person's personal information and sets out principles governing the ways in which organisations should treat personal information. The Company collects information about each applicant provided on an Application Form for the purposes of evaluating and processing the

Application and, if the Application is successful, to administer the applicant's security holding in the Company. If the Company is obliged to do so by law, investors' personal information will be passed on to other parties strictly in accordance with legal requirements. Once personal information is no longer needed for the Company's records, the Company will destroy or de-identify it.

- 11.2 By submitting an Application Form, each applicant agrees that the Company may use the information provided by an applicant on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the share registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.