



10 November 2015

[Name of Share holder]

[Address]

[Address]

Dear Shareholder

PRO-RATA RENOUNCEABLE RIGHTS ISSUE – NOTICE TO SHAREHOLDERS

This letter is to notify you on 10 November 2015, Rox Resources Limited ACN 107 202 602 ("**Company**") announced a 1 for 10 pro rata renounceable entitlement issue of up to approximately 111,220,676 fully paid ordinary shares ("**New Shares**") at an issue price of \$0.015 per New Share to raise up to \$1,668,310 before costs ("**Entitlement Offer**").

Each eligible shareholder will be entitled to subscribe for one (1) New Share for every ten (10) Shares held at 4.00pm WST on 16 November 2015 ("**Record Date**"). This offer will be made pursuant to a prospectus ("**Prospectus**") and if you wish to participate in the Entitlement Offer, you will need to complete the Entitlement and Acceptance Form that will accompany the Prospectus.

On the basis that no option holders of the Company exercise their options before the Record Date, a maximum of approximately 111,220,676 New Shares will be offered under the Entitlements Issue.

Eligibility to the Entitlement Offer

The Entitlement Offer is only open to shareholders of the Company who are registered shareholders at 4:00pm (WST) on the Record Date with registered addresses in Australia or New Zealand ("**Eligible Shareholders**").

Purpose of Entitlement Offer

The funds raised from the Offer are planned to be used towards expenses of the Entitlement Offer, further exploration of the Company's Fisher East sulphide nickel project and Bonya copper project and general working capital purposes.

Prospectus and Entitlement Offer Details

A copy of the Prospectus was lodged with ASX on 10 November 2015 and is available on the ASX website (www.asx.com.au).

Pursuant to the Listing Rules of the ASX Limited ("**Listing Rules**"), the Company is required to provide to you certain information before proceeding with the Entitlement Offer. This letter contains all the information required by Appendix 3B of the Listing Rules.

1. Approximately 111,220,676 New Shares will be issued pursuant to the Entitlement Offer (assuming no existing options are exercised).
2. The New Shares to be issued will rank equally in all respects from the date of issue with the existing quoted fully paid ordinary shares.

3. The issue price of the New Shares will be \$0.015 each.
4. The Company will apply for quotation of the New Shares issued pursuant to the Entitlement Offer on the official list of the ASX.
5. The funds raised from the Entitlement Offer are planned to be used towards: expenses of the Entitlement Offer, further exploration of the Company's Fisher East sulphide nickel project and Bonya copper project and general working capital purposes.
6. It is anticipated the securities will be entered into uncertificated holdings on 10 December 2015.
7. The total number and class of all securities quoted on ASX following completion of the Entitlement Offer (assuming no existing options are exercised prior to the record date) will be as follows:

| Number | Class |
|---------------|-----------------|
| 1,223,427,438 | Ordinary shares |

8. The total number and class of all securities not quoted on the ASX is as follows:

Options:

| Number | Exercise Price | Expiry Date |
|------------|----------------|------------------|
| 5,133,000 | \$0.025 | 30 November 2015 |
| 1,250,000 | \$0.057 | 28 February 2017 |
| 21,437,301 | \$0.080 | 31 March 2017 |
| 17,500,000 | \$0.056 | 30 November 2014 |

9. The Company currently has no dividend policy.
10. No shareholder approval for the Entitlement Offer is required.
11. The Entitlement Offer is **renounceable**. Eligible Shareholders have the right to subscribe for New Shares held at the Record Date pursuant to the Entitlement Offer ("**Rights**"). If you wish to sell all or part of your Rights on the ASX, you should provide instructions to your stockbroker regarding the Rights you wish to sell on the ASX. Rights trading will commence on 12 November 2015 and end on 23 November 2015.
12. The New Shares will be offered on the basis of one (1) New Share for every ten (10) Shares held by Eligible Shareholders at 4.00pm WST on 16 November 2015.
13. The Entitlement Offer relates to fully paid ordinary shares in the Company.
14. The **ex date** is 12 November 2015.
15. The **record date** to determine entitlements is 16 November 2015.

16. Each Eligible Shareholder's right to participate in the Entitlement Offer is as it appears on the personalised Entitlement and Acceptance Form ("**Entitlement**").
17. Holdings on different registers (or subregisters) will not be aggregated for the purposes of calculating entitlements.
18. In determining Entitlements, any fractional entitlement will be rounded up to the nearest whole number.
19. The Company will not be sending an offer under the Entitlement Offer to any shareholders resident outside of Australia and New Zealand ("**Ineligible Shareholders**").

This decision has been made pursuant to Listing Rule 7.7.1(a) of the Listing Rules, having regard to each of the following:

- the number of security holders registered outside of Australia and New Zealand;
- the number and value of the securities to be offered to security holders outside of Australia and New Zealand; and
- the cost of complying with the legal requirements and requirements of regulatory authorities in the overseas jurisdictions.

However, pursuant to ASX Listing Rule 7.7, the Company has appointed a nominee, Patersons Securities Limited, to sell the Entitlements to which Ineligible Shareholders are entitled. The nominee will have the absolute and sole discretion to determine the timing and price at which the Entitlements may be sold and the manner of any such sale.

Any interest earned on the proceeds of the sale of these Entitlements will firstly be applied against expenses of such sale, including brokerage, and any balance will accrue to the relevant Ineligible Shareholders as described below.

The net proceeds of the sale of these Entitlements will then be forwarded by the Company as soon as practicable to the Ineligible Shareholders, in proportion to their share of such Entitlements (after deducting brokerage commission and other expenses). If any such net proceeds of sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds, such proceeds may be retained by the Company.

Notwithstanding that the nominee may sell Entitlements, Ineligible Shareholders may nevertheless receive no net proceeds if the costs of the sale are greater than the sale proceeds.

Neither the Company nor the nominee will be subject to any liability for failure to sell the Entitlements or to sell them at a particular price. If, in the reasonable opinion of the nominee, there is no viable market for the Entitlements of the Ineligible Shareholders, or a surplus over the expenses of the sale cannot be obtained the Entitlements that would have been offered to the Ineligible Shareholders, then those Entitlements will be allowed to lapse. The New Shares not taken up will form part of the New Shares to be taken up by the Underwriter pursuant to the Underwriting Agreement.

20. The closing date for receipt of acceptances is 5.00pm AEDT 30 November 2015.
21. The Entitlement Offer is partially underwritten by Patersons Securities Pty Ltd up to \$1 million (being the equivalent of 66,666,667 New Shares) who will receive an underwriting fee of 6.5% of the amount underwritten.

22. Patersons Securities Pty Ltd is lead manager and broker to the Entitlement Offer.
23. The Company may pay, in its discretion, commissions of up to 6% (exclusive of goods and services tax) of amounts subscribed through any licensed securities dealers or Australian financial services licensee in respect of any valid applications lodged and accepted by the Company in respect of the Shortfall Offer.
24. The Prospectus for the Entitlement Offer and the accompanying Entitlement and Acceptance Form will be sent to you no later than 19 November 2015. Your entitlement will be set out on the personalised Entitlement and Acceptance Form accompanying the Prospectus.
25. All Option holders have been provided the appropriate notice of their right to participate in the Entitlement Offer upon exercise of their options.
26. The issue date and latest date for entry of the securities into your security holdings is 7 December 2015.

Actions required for of Eligible Shareholders

There are a number of actions Eligible Shareholders may take:

- You may wish to accept all of your Entitlement pursuant to the Prospectus. To take up all or some of your Entitlements you will need to ensure your application money for the Entitlements you wish to take up is received by Computershare Investor Services Pty Limited ("**Share Registry**") by no later than 5.00pm AEDT on 30 November 2015, by completing and returning your Entitlement and Acceptance Form together with your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form or making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form.
- You may wish to accept part of your Entitlement. To take up part of your Entitlement you will need to ensure your application money for the Entitlements you wish to take up is received by the Share Registry by no later than 5.00pm AEDT on 30 November 2015, by completing and returning your Entitlement and Acceptance Form by filling in the number of New Shares you wish to accept in the space provided on the Entitlement and Acceptance Form together with your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form or making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form (at \$0.015 per New Share).
- You may do nothing. If you choose to do nothing with your Entitlements, while you will continue to hold the same number of Shares, your interest in the Company will be diluted and you will receive no value for your Entitlement. Should you choose not to accept all or part of your Entitlement, Rights may be traded on the ASX.

Key dates for the Entitlement Offer

| Event | Proposed Date |
|--------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|
| Prospectus and Appendix 3B lodged with ASX | Following close of trade on 9 November 2015 |
| Notification sent to option holders | 10 November 2015 |
| Notice of Entitlement Offer sent to security holders | 11 November 2015 |
| Existing shares quoted on an 'ex' basis | 12 November 2015 |
| Rights trading commences | 12 November 2015 |
| Record date | 16 November 2015 |
| Despatch of Prospectus and Entitlement and Acceptance Form to Eligible Shareholders Opening Date of Entitlement Offer | 19 November 2015 |
| Rights trading ends | 23 November 2015 |
| Securities quoted on a deferred settlement basis. | 24 November 2015 |
| Last day to extend the Closing Date for the Entitlement Offer | 25 November 2015 |
| Closing Date for acceptances under the Entitlement Offer | 5.00pm (AEDT) on 30 November 2015 |
| ASX notified of under subscriptions under the Entitlement Offer | 2 December 2015 |
| Issue Date of New Shares and deferred settlement trading of New Shares ends | 7 December 2015 |
| Trading of New Shares expected to commence | 8 December 2015 |
| Holding statements despatched | 10 December 2015 |

These dates are indicative only and are subject to change.

If you have any queries regarding your entitlement or participation in the upcoming Entitlement Offer, please do not hesitate to contact your financial adviser, the Company's Share Registry, Computershare Investor Service Pty Ltd, on 1300 850 505 or Brett Dickson, Company Secretary, on +61 8 9226 0044.

Yours sincerely



Brett Dickson
Company Secretary
Rox Resources Limited