

Quarterly Report

For the period ended 31 December 2015



HIGHLIGHTS

Reward Zinc-Lead Project, NT

- Drilling continues to define a globally significant zinc-lead deposit at Teena with further excellent intersections of mineralisation:
 - Lens 2:
 - TNDD020: 35.4m @ 13.2% Zn+Pb, including
21.2m @ 18.6% Zn+Pb
 - TNDD021: 19.7m @ 14.9% Zn+Pb
 - TNDD022: 20.8m @ 12.8% Zn+Pb, including
15.1m @ 16.4% Zn+Pb
 - Lens 1:
 - TNDD020: 12.8m @ 9.4% Zn+Pb, including
6.8m @ 12.5% Zn+Pb
 - TNDD021: 7.2m @ 9.2% Zn+Pb
 - TNDD022: 5.1m @ 9.0% Zn+Pb, including
3.8m @ 11.0% Zn+Pb

Fisher East Nickel Project, WA

- A Pre-Feasibility level mining study was initiated.

Bonya Copper Project, NT

- RC drilling program successfully intersected mineralisation at the Bonya Mine prospect and also at a new prospect, Green Gully, including:
 - 2m @ 3.2% Cu from 29m at Green Gully, and
 - 6m @ 2.6% Cu from 140m at the Bonya Mine.

Corporate

- Rox Resources named Explorer of the Year at the Australian Mining Prospect Awards in October 2015.
- Successful capital raising of \$2.0 million.

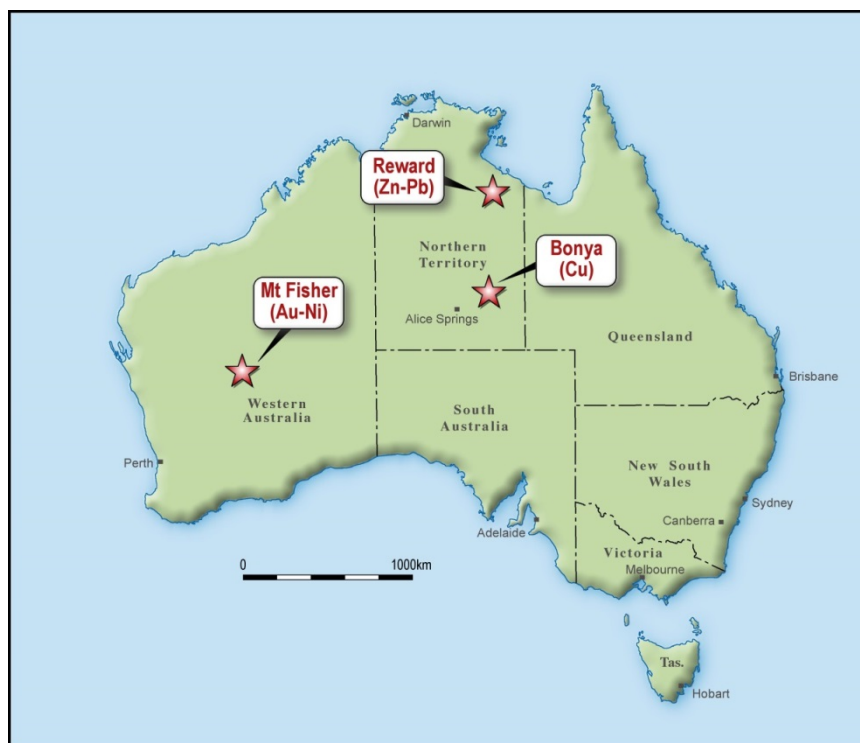


Figure 1: Rox Project Location Map

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

The final three holes of the 2015 field season, TNDD020 – 022 (ASX:RXL 9 November 2015, 17 November 2015, and 17 December 2015), were drilled at the globally significant Teena prospect (Figure 2), and continued to intersect high grade mineralisation. Full results are listed in Table 1.

Hole **TNDD020** was drilled on the same north-south section as holes TNDD021 and TNDD014 (Figure 3), and intersected high grade zinc and lead sulphide mineralisation in both defined lenses:

- Lens 2: **35.4m @ 13.2% Zn+Pb** from 817.0m, including
 21.2m @ 18.6% Zn+Pb from 831.2m, and
- Lens 1: **12.8m @ 9.4% Zn+Pb** from 895.2m, including
 6.8m @ 12.5% Zn+Pb from 895.2m

Hole **TNDD021** was drilled to confirm the northern extent of high grade mineralization toward the Bald Hills Fault zone between previous holes TNDD010 and TNDD011, (Figures 3 & 4), and intersected high grade zinc and lead sulphide mineralisation with further exceptional results.

- Lens 2: **19.7m @ 14.9% Zn+Pb** from 997.4m
- Lens 1: **7.2m @ 9.2% Zn+Pb** from 1041.8m

Hole **TNDD022** was the fourth and final hole drilled at Teena during 2015 (Figure 3), and another strong intercept of high grade zinc and lead sulphide mineralisation was returned in both defined lenses:

Lens 2: **20.8m @ 12.8% Zn+Pb** from 849.7m, including
15.1m @ 16.4% Zn+Pb from 855.4m, and
Lens 1: **5.1m @ 9.0% Zn+Pb** from 892.2m, including
3.8m @ 11.0% Zn+Pb from 892.2m

The strike length of the high grade mineralisation (greater than 13% Zn+Pb) at Teena has been defined over 1.3km, with excellent continuity of the mineralisation indicated between drill holes.

A series of cross sections were drawn to illustrate the extensive nature of the mineralisation at Teena (Figures 5-8). The locations of the section lines are shown on Figure 3. There is a distance of approximately 450m between the mineralised intercepts from section A-A' to B-B' and 600m from B-B' to C-C'. Section D-D' is approximately 250m west of C-C'.

The drilling program is now complete at Teena for 2015, with 4,949 metres drilled in four holes which have all returned results well above expectations. They have confirmed the continuity of mineralisation in both east-west and north-south directions, and the grades have been appreciably higher as well.

Based on these results, Rox has revised its Exploration Target* for Teena to 70-80 Million Tonnes grading 11-13% Zn+Pb (10-12% Zn, 1-2% Pb) for 7.7 - 10.1 million tonnes (17 – 22 billion pounds) of contained Zn + Pb metal.

** This Exploration Target is conceptual in nature, but based on reasonable grounds and assumptions. There has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.*

Mineralisation at Teena occurs as lenses that parallel stratigraphy (dip and strike). They are hosted within the HYC Shale Member (see Figures 5-8). Two main lenses are present, termed Lens 1 (the lower lens) and Lens 2 (uppermost). In the positions drilled to date Lens 2 is generally thicker and higher grade than Lens 1. The mineralised lenses at Teena can be punctuated by mass and debris flows, which sometimes separate the lenses. If that separation is more than 2 metres (i.e. the mass/debris flow is more than 2 metres thick), then a lens may be reported as two separate intervals (using the minimum gap criteria as explained in the notes to Table 1).

A compilation of drill intersections from both lenses is shown below:

Drill Hole	Lens 2	Lens 1
TNDD022	15.1m @ 16.4% Zn+Pb from 855.4m	5.1m @ 9.0% Zn+Pb from 892.2m
TNDD021	19.7m @ 14.9% Zn+Pb from 997.4m	7.2m @ 9.2% Zn+Pb from 1041.8m
TNDD020	35.4m @ 13.2% Zn+Pb from 817.0m	12.8m @ 9.4% Zn+Pb from 895.2m
TNDD019	38.8m @ 16.9% Zn+Pb from 1068.9m	5.0m @ 10.8% Zn+Pb from 1164.3m
TNDD017	14.7m @ 13.2% Zn+Pb from 801.0m	3.6m @ 9.7% Zn+Pb from 828.4m
TNDD014	4.1m @ 10.4% Zn+Pb from 657.0m, and 4.9m @ 11.8% Zn+Pb from 665.2m, and 2.5m @ 10.3% Zn+Pb from 676.5m	Merged with Lens 2
TNDD013	3.0m @ 10.1% Zn+Pb from 670.0m, and 7.7m @ 9.9% Zn+Pb from 678.0m	Merged with Lens 2
TNDD012	4.5m @ 11.4% Zn+Pb from 676m, and 6.0m @ 14.6% Zn+Pb from 684.9m	Merged with Lens 2
TNDD011	20.3m @ 13.9% Zn+Pb from 901.0m	5.7m @ 8.6% Zn+Pb from 937.3m
TNDD010	20.1m @ 15.0% Zn+Pb from 944.3m	6.2m @ 10.0% Zn+Pb from 988.8m
TNDD009	26.4m @ 13.2% Zn+Pb from 1060.1m	5.0m @ 10.7% Zn+Pb from 1121.0m

Zinc Deposits Around The World

A compilation of zinc deposits from around the world (Leach et. al., 2005 – see caption to Figure 2 for reference), shows that there are just eight zinc-lead deposits that would be termed “world class” or “Tier 1”. These “supergiant” deposits contain >12 million tonnes of contained zinc and lead at a grade greater than 8% Zn+Pb (Figure 10). All of these deposits are owned and operated by major companies. For example, the Red Dog mine in Alaska is owned and operated by Rox’s partner Teck Resources Limited.

Australia hosts six of the eight supergiant zinc deposits, five of which occur in the belt from Mt Isa to McArthur River (the “Carpentaria Zinc Province”) (Figure 9), in addition to three Tier 2 “giant” zinc deposits (See Table below), demonstrating the strong endowment of this province.

Most of the major deposits in the Carpentaria Zinc Province were discovered more than 50 years ago. The most recent discovery, being the Century deposit, in 1990. The Century project was put into production in the year 2000, and produced about 500,000 tonnes of zinc in concentrate per year from about 5 million tonnes of ore mined each year. The mine had a 15 year mine life mining ceasing earlier this year. The Dugald River deposit is currently being developed for full production in 2018.

Zinc/Lead Mineral Resources of Northern Australia*

Deposit	Owner	Million Tonnes	Zn%	Pb%	Zn+Pb%	Ag ppm	Zn+Pb (Mt)
McArthur River	Glencore	227.0	9.3	4.1	13.4	60	30.4
Hilton	Glencore	120.0	11.5	5.4	16.9	100	20.3
Mount Isa	Glencore	150.0	7.0	6.0	13.0	150	19.5
George Fisher	Glencore	107.0	11.1	5.4	16.5	93	17.7
Century	MMG	94.6	13.1	1.8	14.9	46	14.1
Cannington	South32	43.8	4.4	11.6	16.0	538	7.0
Dugald River	MMG	47.9	12.1	2.1	14.2	44	6.8
Lady Loretta	Glencore	13.6	17.1	5.9	23.0	97	3.1

* Source, Leach et. al (2005)

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 Teck Resources Limited. Teck has elected to exercise the option to increase their JV interest to 70% by expending up to \$15 million in total by 31 August 2018. During the quarter Teck’s provisional unaudited expenditure was \$1.2 million, bringing the total expenditure by Teck on the project since commencement of the earn-in agreement to approximately \$13.6 million.

Rox has announced that it is seeking to commercialise its interest in the project either by way of outright sale to a third party, or by a spin-off into a dedicated zinc company (ASX:RXL 3 November 2015). The Company is continuing to actively explore these options.

Work planned for the next quarter will include compilation and further evaluation of the drilling, geochemical and geophysical data collected during 2015.



Figure 2: 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 100th Anniversary Volume, pp561-607.

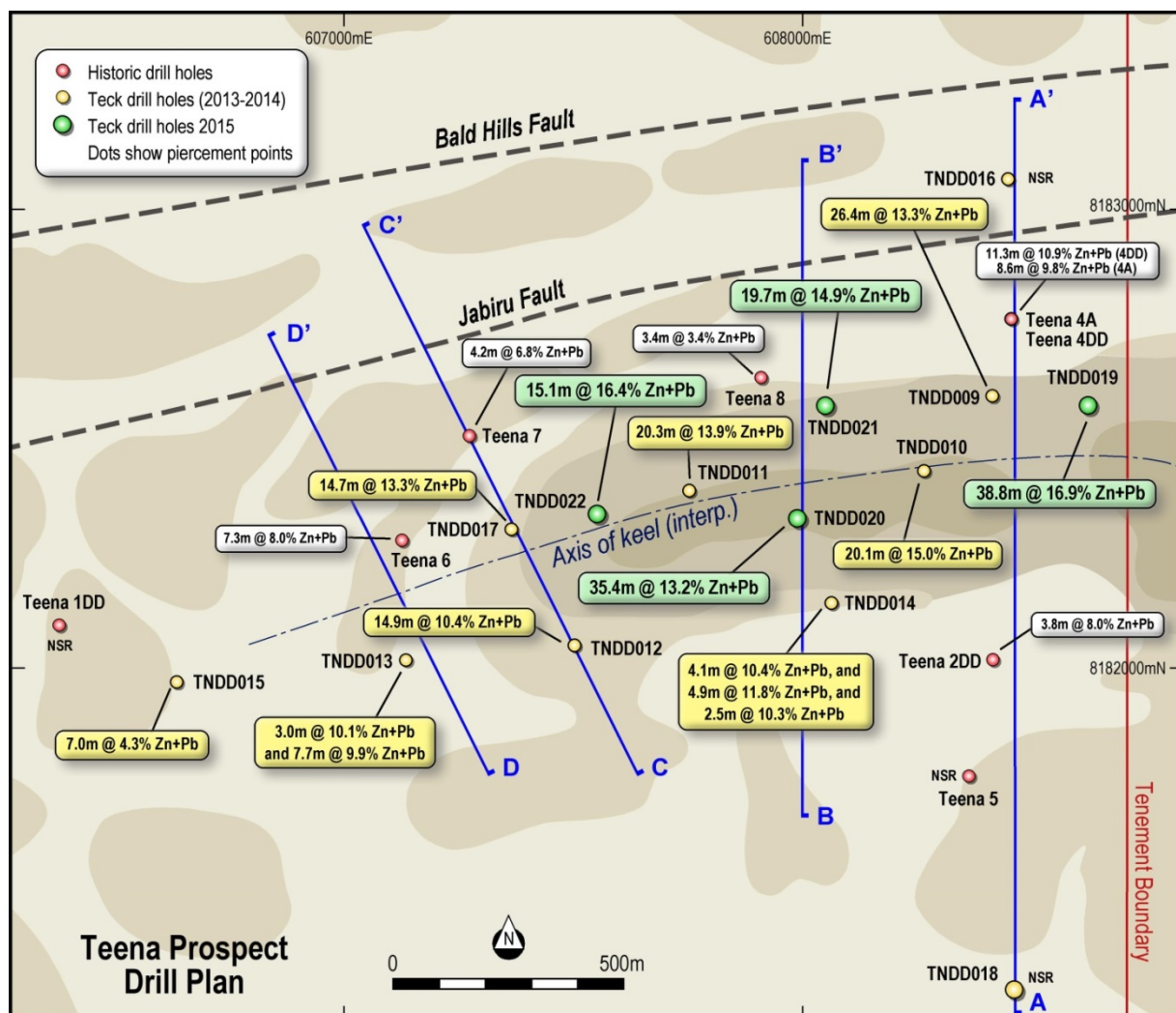


Figure 3: Teena Prospect Drill Plan showing locations of new 2015 holes in green. Selected drill results (Lens 2) shown. For a full list of drilling results see Table 1.



Figure 4: Mineralised core from hole TNDD021. The creamy brown mineral is sphalerite (zinc sulphide)

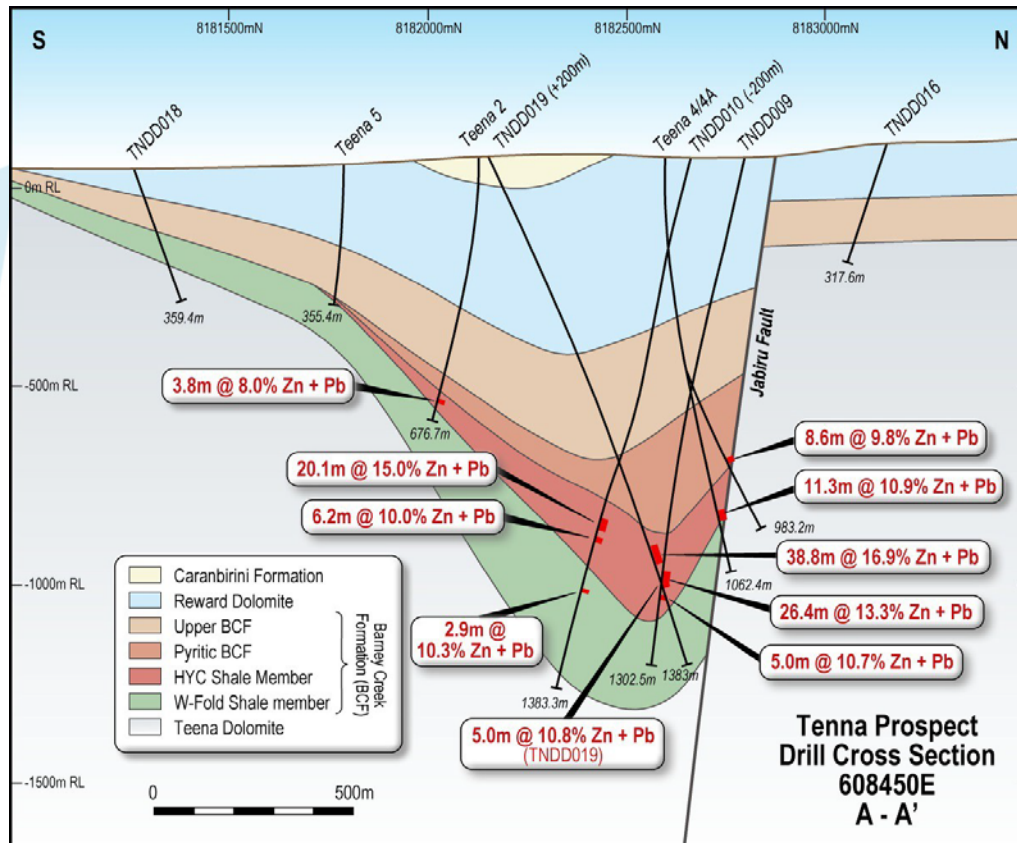


Figure 5: Teena Cross Section A-A'

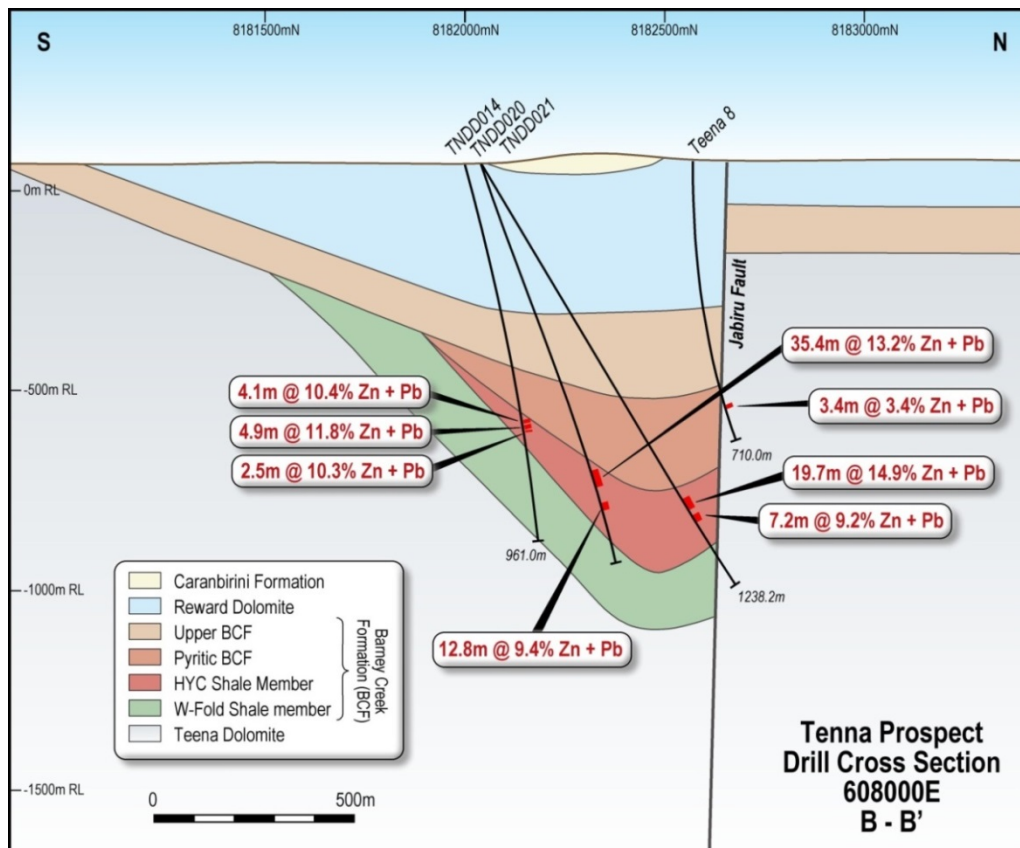


Figure 6: Teena Cross Section B-B', 608000E

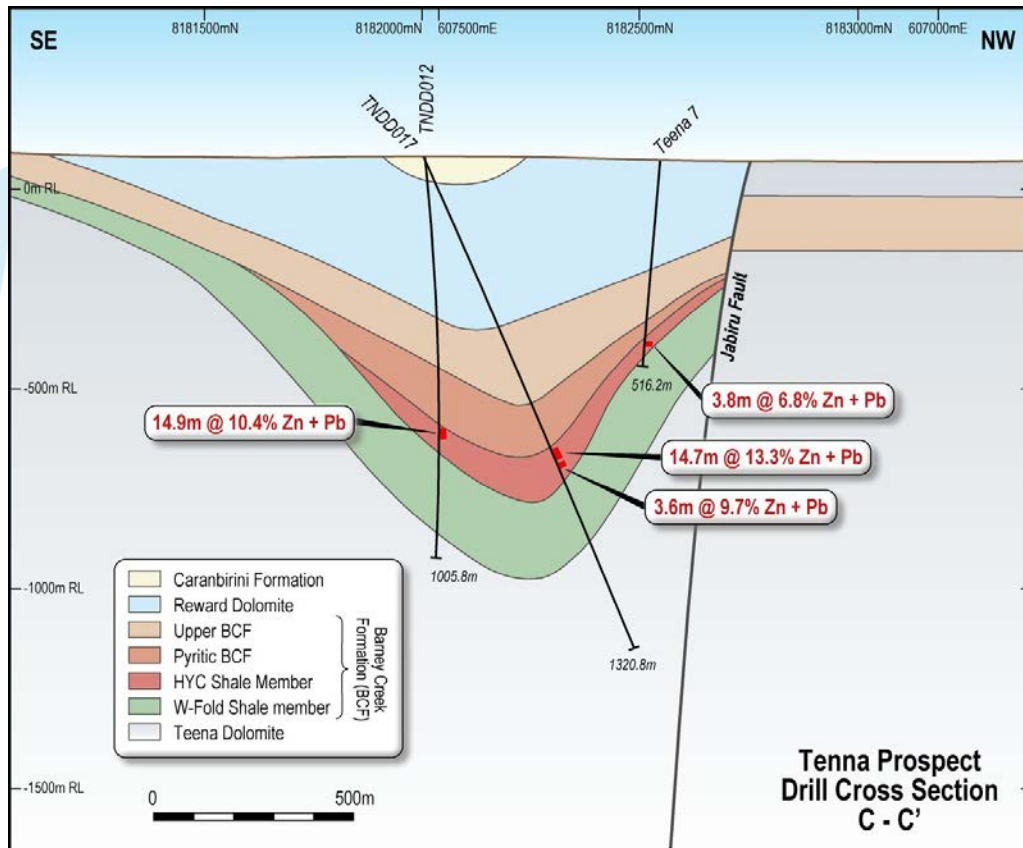


Figure 7: Teena Cross Section C-C'

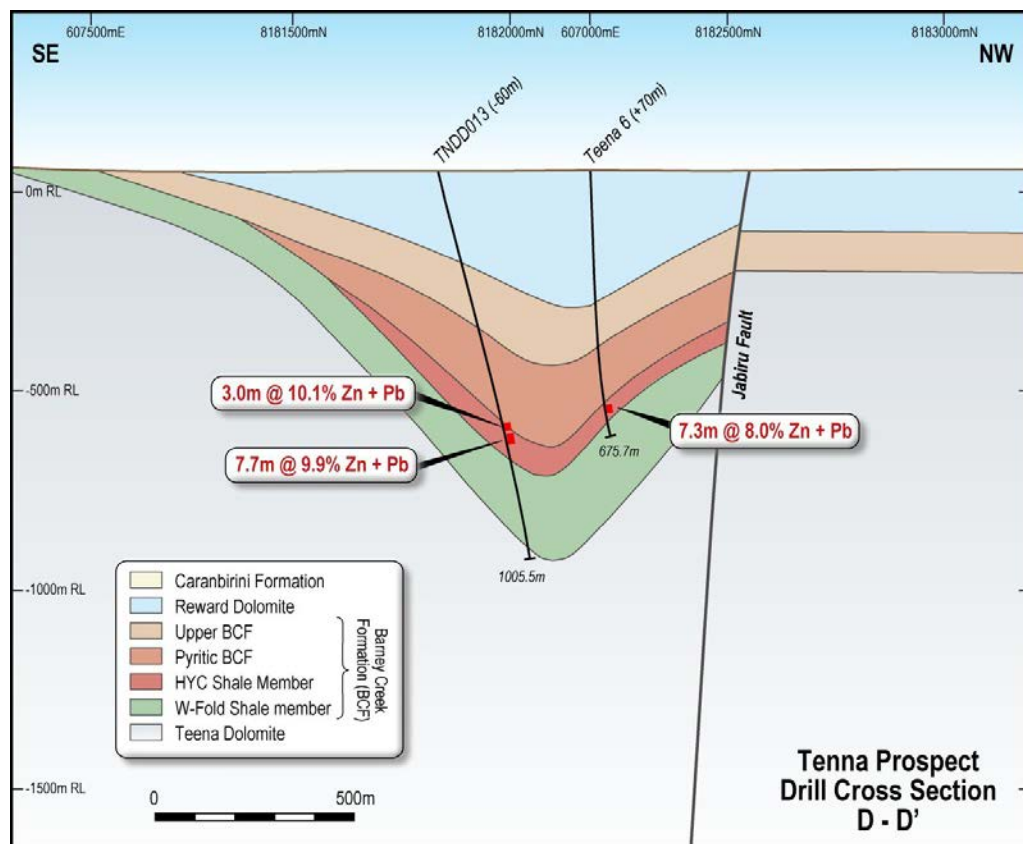


Figure 8: Teena Cross Section D-D'

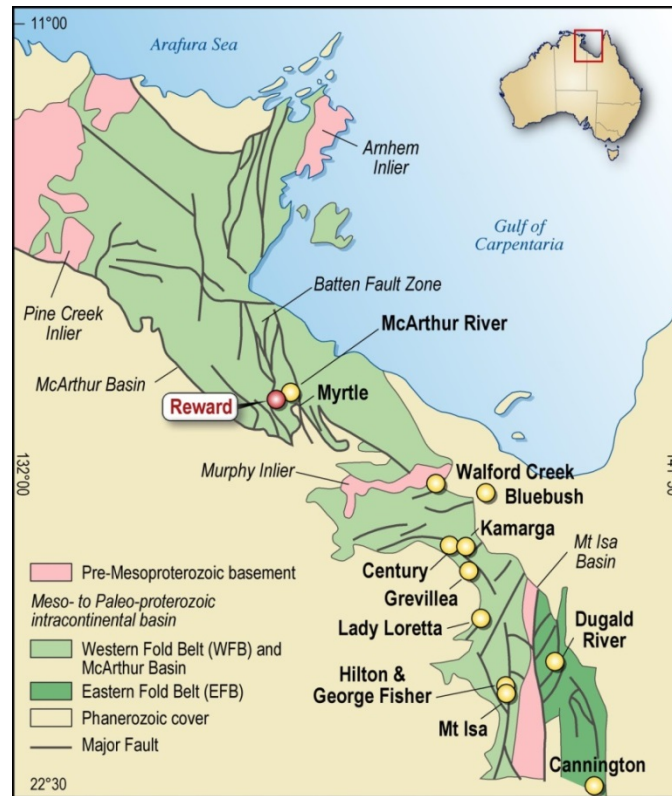


Figure 9: Carpentaria Zinc Province showing the locations of the five major Tier 1 “supergiant” zinc lead deposits - Mt Isa, Hilton, George Fisher, Century and McArthur River; and the three Tier 2 “giant” deposits, Cannington, Dugald River and Lady Loretta. Other deposits shown are smaller in size.

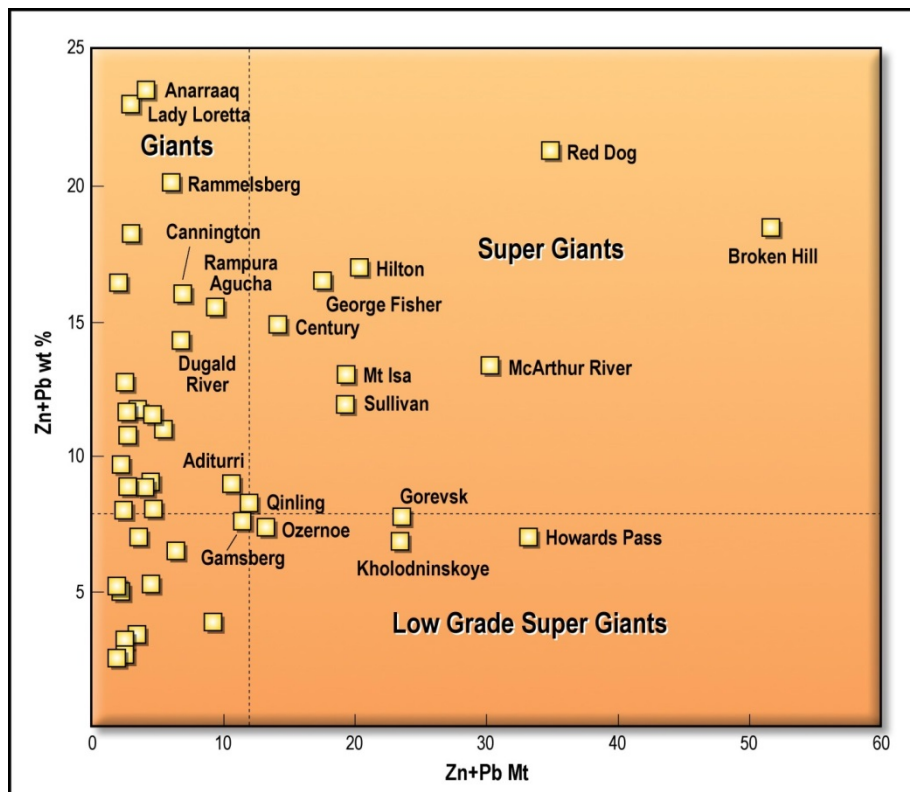


Figure 10: World Sedex Zinc Deposits (after Leach et. al. 2005)

Table 1: Teena Diamond Drilling Results

Hole	North	East	RL	From	To	Interval	Zn%	Pb%	Zn+Pb%	Ag ppm
TNDD022	8181990	607600	57	835.0	838.0	3.0	4.14	0.86	5.00	3.5
				849.7	870.5	20.8	11.18	1.66	12.84	1.3
<i>Including</i>				855.4	870.5	15.1	14.23	2.13	16.36	1.3
				892.2	897.3	5.1	8.48	0.54	9.02	4.1
<i>Including</i>				892.2	896.0	3.8	10.27	0.68	10.95	4.7
				1019.5	1024.0	4.5	2.90	0.35	3.25	0.9
				1057.3	1064.0	6.7	2.89	0.64	3.53	1.4
				1083.0	1090.0	7.0	3.37	0.95	4.32	0.4
TNDD021	8182024	607990	68	960.0	976.9	16.9	2.83	0.47	3.30	1.3
				987.4	994.0	6.6	4.37	0.55	4.92	1.0
				997.4	1017.1	19.7	12.88	2.01	14.89	1.4
				1021.5	1024.0	2.5	4.35	0.57	4.92	0.9
				1041.8	1050.9	9.1	7.04	1.06	8.10	1.3
<i>Including</i>				1041.8	1049.0	7.2	7.96	1.24	9.20	1.1
				1053.5	1061.0	7.5	2.02	0.36	2.38	0.2
				1072.0	1079.6	7.6	2.40	0.30	2.70	0.9
				1093.0	1102.0	9.0	3.18	0.82	4.00	1.2
TNDD020	8182040	607995	68	797.0	802.0	5.0	3.80	0.69	4.49	1.9
				817.0	852.4	35.4	11.39	1.76	13.15	0.6
<i>Including</i>				831.2	852.4	21.2	16.00	2.56	18.56	0.6
				857.4	861.1	3.7	4.87	0.65	5.52	0.9
				866.3	869.1	2.8	5.63	0.81	6.44	0.6
				895.2	908.1	12.8	8.10	1.28	9.38	0.3
<i>Including</i>				895.2	902.0	6.8	10.69	1.81	12.50	0.4
				948.0	954.0	6.0	2.10	0.24	2.34	1.7
				998.0	1001.0	3.0	2.08	0.56	2.64	0.7
TNDD019	8182154	608530	74	1019.0	1033.0	14.0	2.79	0.49	3.28	1.5
				1058.0	1066.0	8.0	4.37	0.49	4.86	0.8
				1068.9	1107.7	38.8	14.65	2.30	16.94	0.6
<i>Including</i>				1076.0	1096.0	20.0	19.37	3.07	22.43	0.7
				1114.0	1117.4	3.4	4.65	2.61	7.26	0.8
				1122.8	1125.8	3.0	5.01	0.70	5.71	1.3
				1164.0	1172.9	8.9	6.90	1.14	8.04	0.4
<i>Including</i>				1164.3	1169.3	5.0	9.23	1.60	10.83	0.6
TNDD018	8181261	608462	50	NSR						
TNDD017	8182005	607511	57	795.9	821.4	25.5	7.90	1.23	9.13	0.4
<i>Including</i>				801.0	815.7	14.7	11.53	1.79	13.32	0.3
<i>And</i>				828.4	835.0	6.6	5.82	0.80	6.62	1.5
<i>Including</i>				828.4	832.0	3.6	8.32	1.33	9.65	1.5
<i>And</i>				975.0	977.0	2.0	2.93	0.06	2.99	0.5
TNDD016	8183157	608470	110	NSR						
TNDD015	8181695	606655	52	807.0	814.0	7.0	4.13	0.16	4.29	0.3
<i>And</i>				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
<i>Including</i>				657.0	661.1	4.1	9.19	1.25	10.4	0.8
<i>and including</i>				665.2	670.1	4.9	10.23	1.55	11.8	0.8

<i>and including</i>				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
<i>Including</i>				670.0	673.0	3.0	8.83	1.23	10.06	0.7
<i>and including</i>				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	0.8
<i>Including</i>				676.0	690.9	14.9	9.08	1.33	10.41	0.9
<i>Including</i>				676.0	680.5	4.5	10.00	1.37	11.37	0.7
<i>Including</i>				684.9	690.9	6.0	12.55	2.02	14.58	1.2
And				807.1	826.0	18.9	2.75	0.74	3.49	0.9
And				836.2	848.0	11.8	2.78	0.56	3.34	1.3
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
<i>Including</i>				905.0	921.3	16.3	14.26	2.25	16.51	1.7
<i>Including</i>				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
<i>Including</i>				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	ND
And				1111.0	1119.8	8.8	2.75	0.27	3.02	ND
TNDD010	8182661	608278	75	908.0	925.1	17.1	2.55	0.46	3.01	1.8
<i>Including</i>				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
<i>Including</i>				951.5	964.0	12.5	16.78	2.68	19.46	1.1
<i>Including</i>				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
<i>Including</i>				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

Drill holes TNDD009 – TNDD022 previously announced to ASX (ASX:RXL 5 August 2013, 26 August 2013, 18 September 2013, 11 October 2013, 27 October 2014, 10 November 2014, 15 December 2014, 29 September 2015, 9 November 2015, 17 November 2015, and 17 December 2015).

Table 2: Drill Hole Collar Coordinates

Hole	North	East	RL	Dip	Azimuth	Total Depth (m)
TNDD022	8181990	607600	57	-61	360	1296.7
TNDD021	8182024	607990	68	-57	355	1238.2
TNDD020	8182040	607995	68	-68	355	1050.9
TNDD019	8182154	608530	74	-68	012	1363.1
TNDD018	8181261	608462	50	-75	343	359.4
TNDD017	8182005	607511	57	-65	335	1322.0
TNDD016	8183157	608470	110	-70	170	317.6
TNDD015	8181695	606655	52	-70	350	852.0
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:

- New results shown in **bold**. ND = Not Determined.
- 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 and half 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, 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 - TNDD022 true thickness is 80-90% of downhole thickness.

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

Pre-Feasibility Study

Progress is continuing on the Pre-Feasibility Study for the Fisher East nickel sulphide project.

The study comprises:

- Aboriginal Heritage Survey
- Environmental Baseline Studies
- Revised Resource Estimate and Modelling
- Geotechnical Assessment (for mine design parameters)
- Mine Design and Scheduling
- Operating Cost Estimate from first principles
- Infrastructure Design
- Metallurgical Testwork
- Financial Modelling

Project Ownership

The first group of Option tenements (Figure 11) were transferred to Rox during the 4th quarter.

Next Quarter's Activities

- Aircore and RC drilling is being designed to follow up on excellent results achieved during the third quarter of 2015.
- Evaluation of the results from the Pre-Feasibility Mining Study to determine further options for the project.

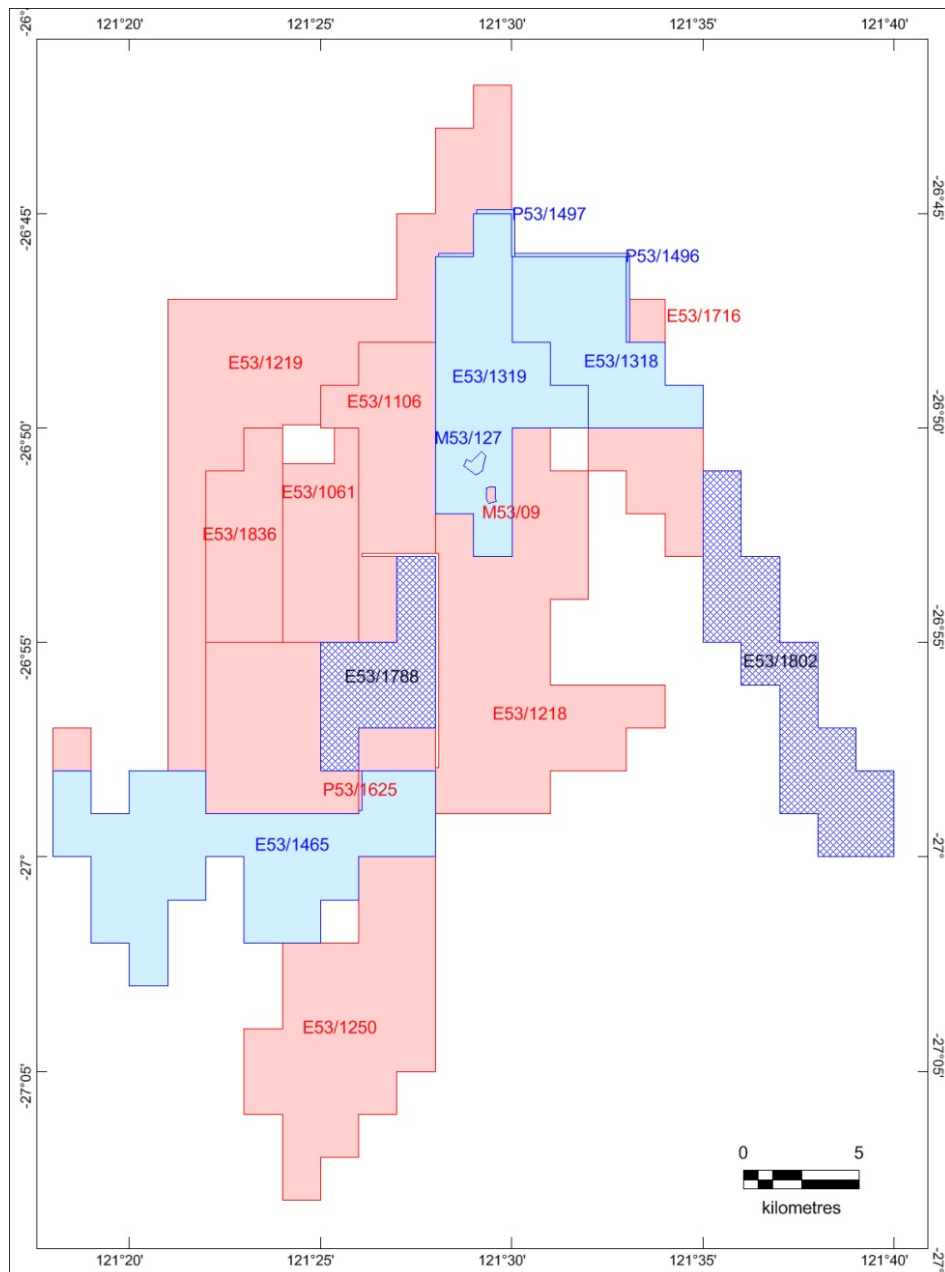


Figure 11: Option Tenements Granted to Rox Resources were E53/1318, 1319, 1465, and P53/1496 & 1497 (shown in light blue). Tenement M53/127 remains in the name of the Option holder until 30 June 2017. Tenements E53/1802 & 1788 (shown in dark blue) are under the second Option. Rox owns 100% of the tenements shown in red.

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

The drilling was undertaken at the Bonya Mine prospect to follow up spectacular drilling results previously received (**38m at 4.4% Cu**) and two new prospects, Green Gully and Green Hoard, (Figure 12).

Three holes were drilled at Green Gully with one hole returning an encouraging:

GGRC001: **2m @ 3.2% Cu** from 29m

Drilling at the Bonya Mine prospect returned mineralised intersections throughout the entire length of the drill hole which ended in mineralisation:

BYRC020: **5m @ 1.6% Cu** from 79m, and
 4m @ 1.8% Cu from 87m, and
 4m @ 2.3% Cu from 125m, and
 6m @ 2.6% Cu from 140m

The new drill intersection at the Green Gully prospect indicates a totally new area of copper mineralisation (ASX:RXL 21 December 2015).

Green Gully

Three shallow RC holes were drilled at Green Gully to test a 200m outcropping zone of copper oxide mineralisation on surface. One hole, GGRC001 intersected a zone of copper mineralisation over several metres, with the best intersection being **2m @ 3.2% Cu** from 29m. Another hole approximately 75m along strike to the east also intersected low grade copper mineralisation (Figure 13).

Green Hoard

Three shallow RC holes were drilled to test a zone of copper oxide mineralisation that had been exposed over 200m in an old trench. None of the holes intersected significant copper mineralisation at depth.

Bonya Mine

Two RC holes were drilled to test a structural model where a U-shaped fold is interpreted to host high grade copper sulphide mineralisation within an asymmetric "S-fold" on one of its limbs (Figure 14). One hole, BYRC020, was drilled to test this S-fold down plunge, and was successful in demonstrating the continuity of mineralisation (Figure 15), with multiple intersections of copper sulphide mineralisation (see Table 3) including:

5m @ 1.6% Cu from 79m, and
4m @ 1.8% Cu from 87m, and
4m @ 2.3% Cu from 125m, and
6m @ 2.6% Cu from 140m

The second hole was drilled to test further around the fold limb to determine whether any other zones of mineralisation in asymmetric folds may exist and to serve as a pre-collar for a deeper diamond hole that will test the down plunge extent of the Z-fold mineralisation at a future date. No mineralisation was intersected in the upper portion of the drill hole.

The next steps at Bonya will include surface geophysics and mapping prior to further drilling.

Rox has a 51% interest in the Bonya tenement and has elected to increase that interest to 70% by expenditure of \$1,000,000 by December 2016. Approximately \$200,000 has been incurred towards that expenditure requirement.

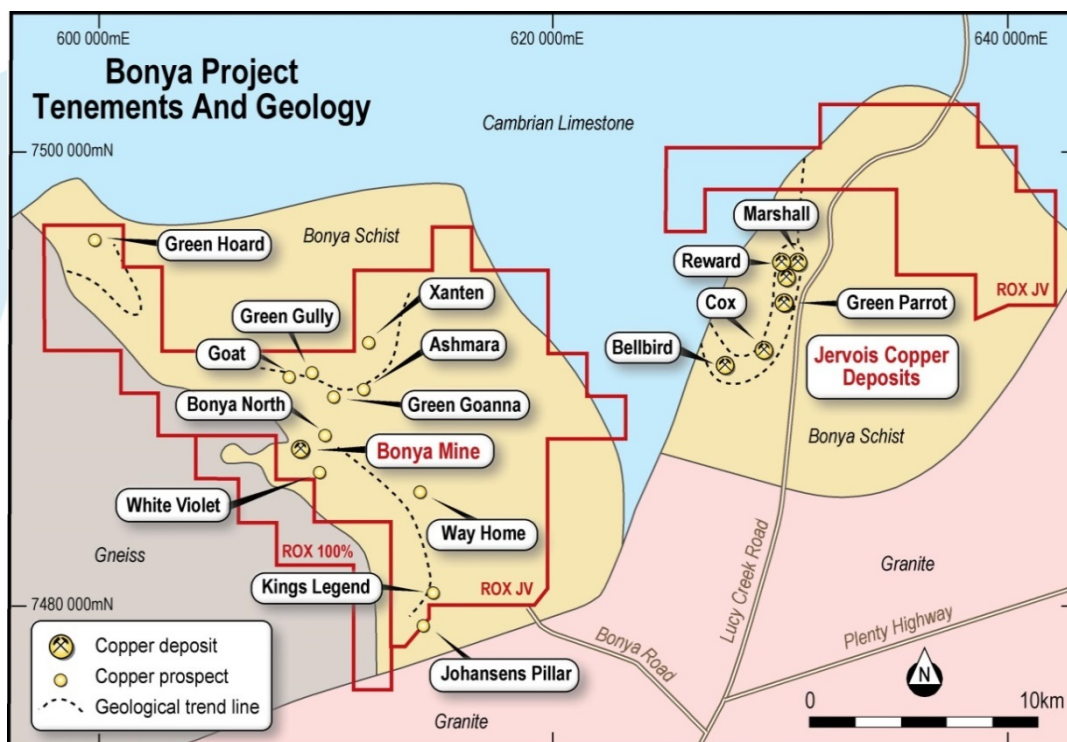


Figure 12: Bonya project tenements showing prospect locations

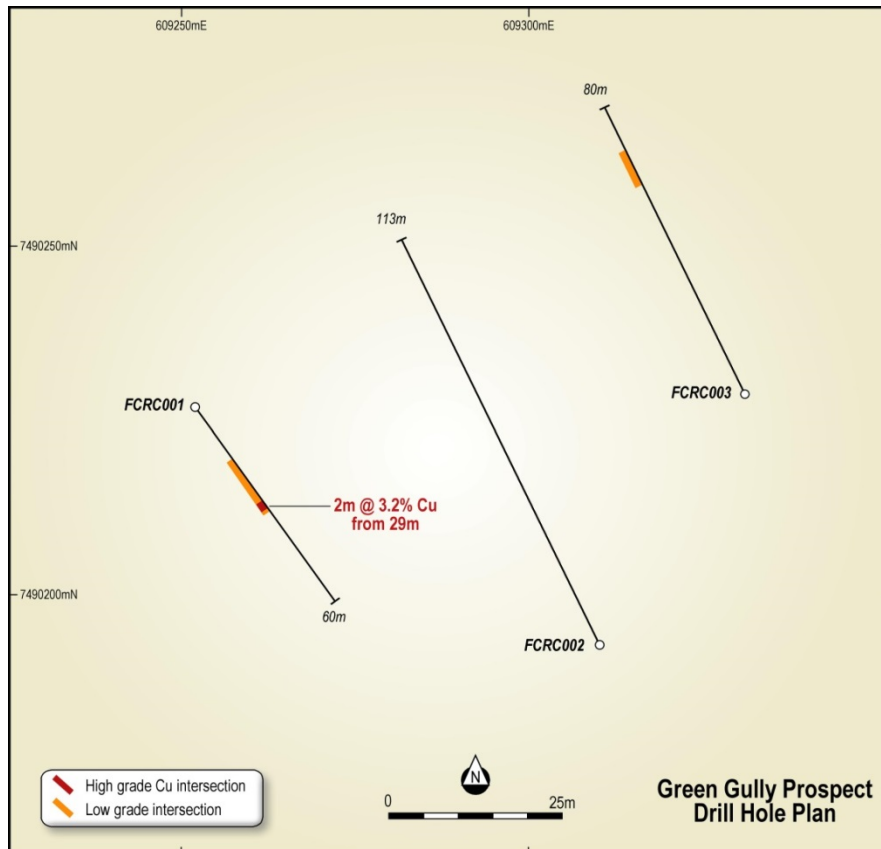


Figure 13: Green Gully Prospect drill plan

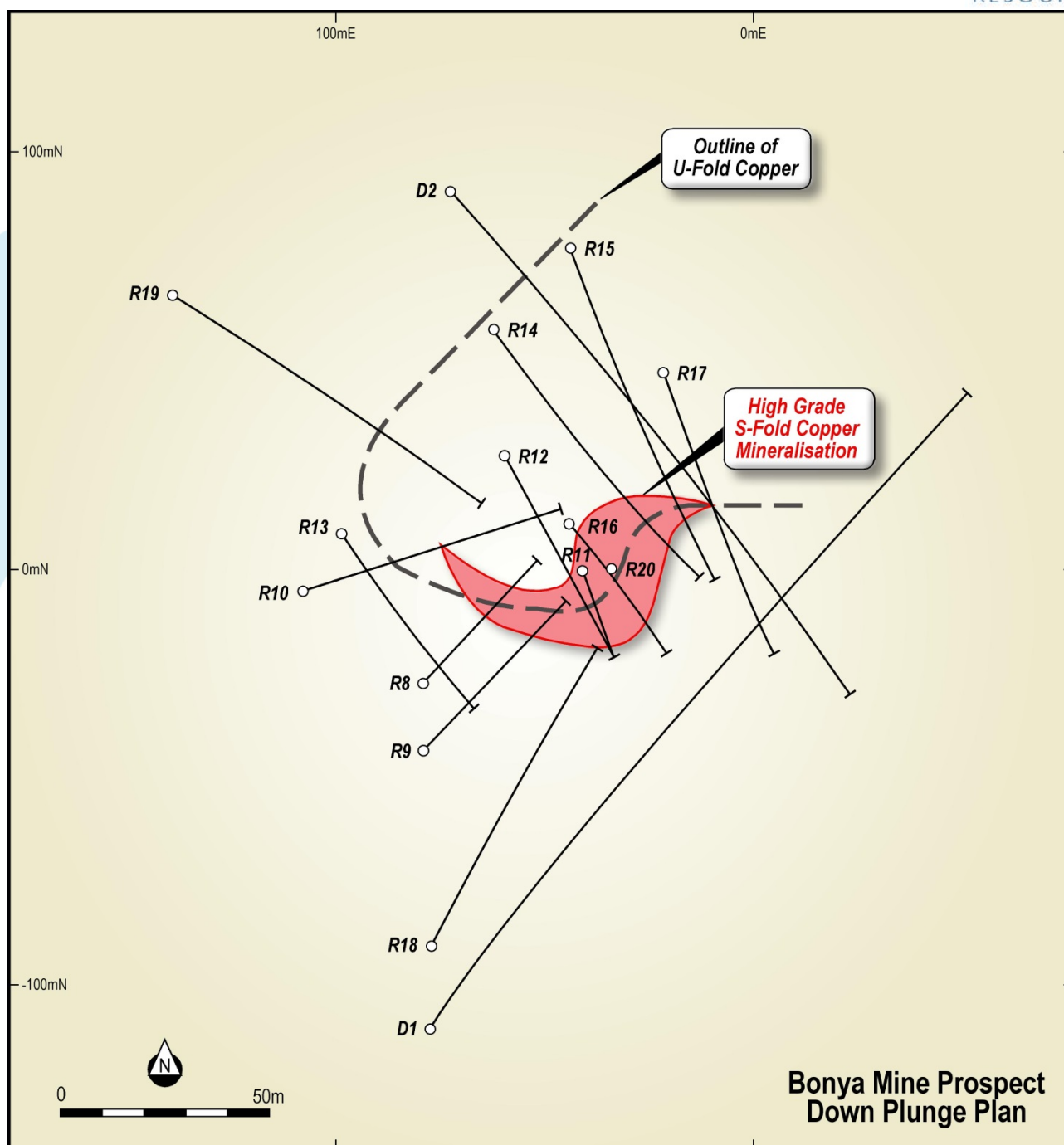


Figure 14: Bonya Mine Prospect Drill Plan Looking Down Plunge (-65 degrees west) – refer to Figure 15 for viewing angle. This diagram demonstrates how the drilling undertaken to date relates to the interpreted structural setting. The Bonya Mine U-fold is shown with the thick dashed line, and the S-fold and its associated high grade zone of copper sulphide mineralisation is shown shaded red. In this projection hole BYRC020 is vertical to the plane. This structural interpretation explains the drilling results (hits and misses) to date.

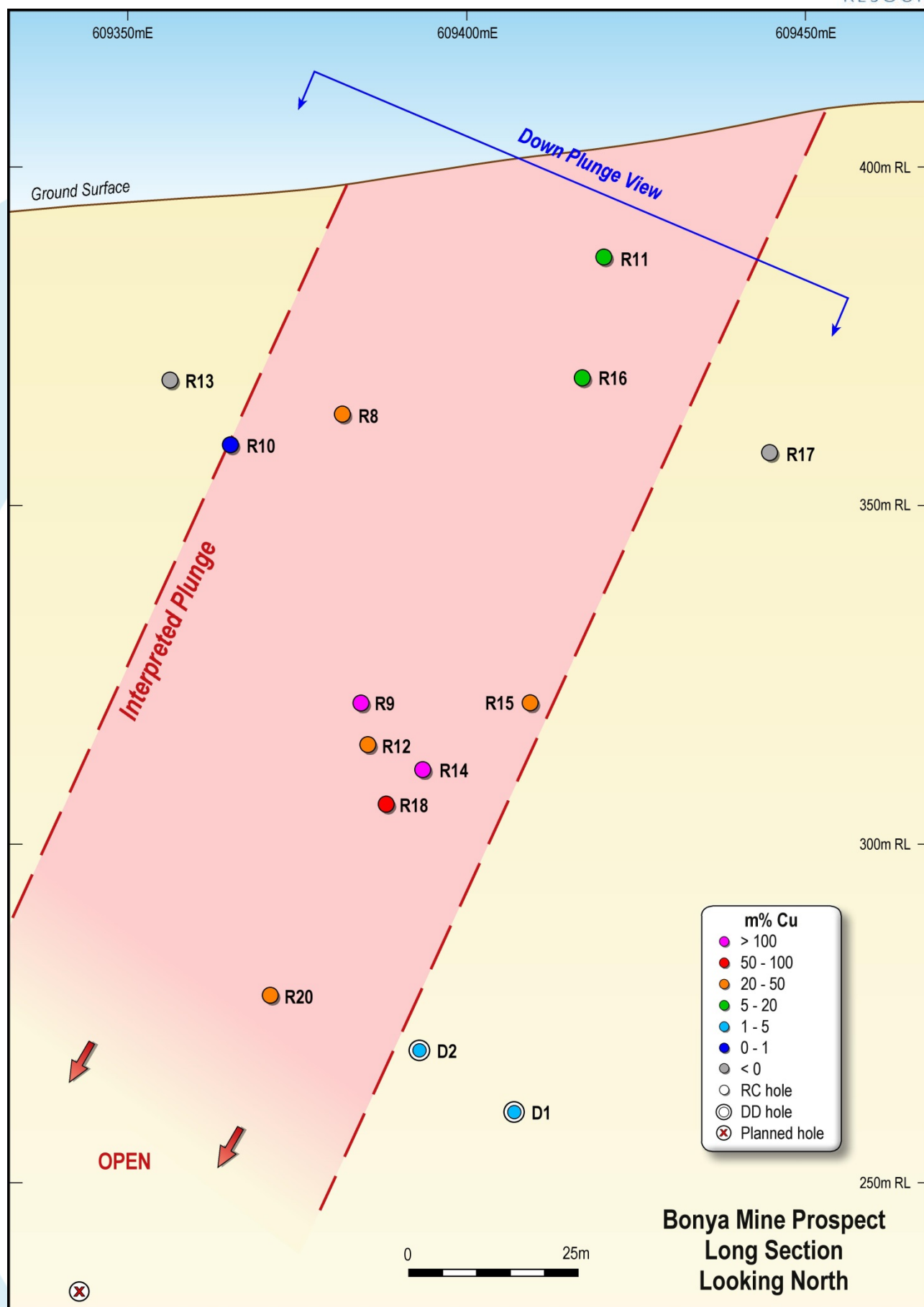


Figure 15: Bonya Mine Prospect Long Section

Table 3: Bonya RC Drilling Assay Results

Hole	East	North	RL	Depth (m)	Dip	Azimuth	From (m)	To (m)	Interval	Cu%	Prospect
GGRC001	609252	7490227	424	60	-55	144	29	31	2	3.24	Green Gully
GGRC002	609310	7490193	416	113	-55	334	NSR				Green Gully
GGRC003	609331	7490229	414	80	-55	334	NSR				Green Gully
GHRC001	599762	7496104	400	60	-60	69	NSR				Green Hoard
GHRC002	599773	7496068	400	54	-60	69	NSR				Green Hoard
GHRC003	599750	7496136	400	54	-60	69	NSR				Green Hoard
BYRC020	609430	7487005	407	150	-65	261	17	18	1	1.58	Bonya Mine
And							22	24	2	1.15	
And							31	32	1	1.38	
And							43	45	2	1.79	
And							60	61	1	1.98	
And							79	84	5	1.64	
And							87	91	4	1.79	
And							97	98	1	3.79	
And							110	111	1	3.34	
And							120	121	1	1.27	
And							125	129	4	2.28	
And							140	146	6	2.60	
BYRC019	609313	7487071	405	123	-60	150	NSR				Bonya Mine
BYRC018	609380	7486915	400	177	-50	400	109	114	5	9.14	Bonya Mine
including							109	112	3	13.4	
And							121	132	11	3.91	
And							139	143	4	1.94	
including							141	142	1	4.17	
BYRC017	609445	7487053	408	102	-45	408	NSR				Bonya Mine
BYRC016	609419	7487017	403	72	-60	403	6	7	1	2.10	Bonya Mine
And							23	25	2	2.16	
And							36	41	5	1.95	
including							39	41	2	3.50	
And							47	48	1	2.36	
BYRC015	609420	7487083	403	143	-45	403	100	109	9	2.82	Bonya Mine
including							101	105	4	3.93	
BYRC014	609399	7487063	403	150	-60	403	97	105	8	7.58	Bonya Mine
including							101	104	3	12.0	
And							111	124	13	5.44	
including							114	123	9	7.44	
including							119	122	3	12.8	
BYRC013	609357	7487014	395	102	-60	395	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	
including							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	
<i>And</i>							14	22	8	1.64	
BYRC010	609347	7487000	393	78	-60	60	42	43	1	1.20	Bonya Mine
BYRC009	609379	7486962	393	98	-60	10	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	10	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
<i>And</i>							55	57	2	3.14	
BYRC002	608805	7487484	423	108	-60	45	61	65	4	0.26	EM Anom 04
BYRC001	608766	7487527	425	120	-60	45	100	102	2	0.64	EM Anom 04

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

Notes to Table:

- 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 either cone or riffle split and bagged.
- All samples used in calculation of intercepts are 1m except BYRC011 14-22m which are 2m composite samples.
- Cu analyses holes BYRC001-018 and BYDD001-002 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).
- Cu analyses for holes GGRC001-003, GHRC001-003, BYRC019-020 by Intertek Genalysis, method 4A/OE (0-2% Cu) or 4AH/OE (>2% Cu): Four acid digest with analysis by Inductively Coupled Plasma Optical (Atomic) Emission Spectrometry.
- Review of laboratory standards and duplicates are within acceptable limits. Certified Reference Standards and blank samples were within acceptable limits where used.
- Cut-off grade for reporting of intercepts is 0.2% Cu for holes BYRC001-007 and 1.0% Cu for all other holes; 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.

CORPORATE

During the quarter a successful Placement and Rights Issue raised \$2.0 million before costs.

Mr Stephen Dennis joined the Board of Directors on 1 August 2015, and upon the retirement of the incumbent Chairman, Mr Jeff Gresham, at the Annual General Meeting in November 2015, Mr Dennis has now been appointed Chairman.

In late October 2015, Rox Resources was awarded the Explorer of the Year award in the Australian Mining Prospect Awards held in Sydney.

Dated this 29th day of January 2016.

Signed on behalf of the Board of Rox Resources Limited.

A handwritten signature in black ink, appearing to read "Ian Mulholland", written in a cursive style.

IAN MULHOLLAND
Managing Director

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 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.

About Rox Resources

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

Mt Fisher Gold-Nickel Project (100% + Option to Purchase)

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 675km², consisting of a 600km² area 100% owned by Rox and an Option to purchase 100% of a further 75km² of nickel and gold prospective ground.

Discovery of, and drilling at the Camelwood and Musket nickel prospects has defined a JORC 2012 Mineral Resource (ASX:RXL 9 October 2013 and 4 September 2014) of **3.6Mt grading 2.0% Ni** 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. Additional nickel sulphide deposits continue to be discovered (e.g. Cannonball, Sabre) and these will add to the resource base. Exploration is continuing to define further zones of potential nickel sulphide mineralisation.

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 Au** 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 diluting to 30%)

Rox has signed an Earn-In and Joint Venture Agreement with Teck Australia Pty Ltd. ("Teck") to explore its highly prospective 670km² Myrtle/Reward zinc-lead tenements, located 700km south-east of Darwin, Northern Territory, adjacent to the McArthur River zinc-lead mine.

The first deposit explored, Myrtle, has a current JORC 2004 zinc-lead 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).

Drilling at the Teena zinc-lead prospect includes intersections of **38.8m @ 16.9% Zn+Pb**, **26.4m @ 13.3% Zn+Pb**, and **20.1m @ 15.0% Zn+Pb**, and together with historic drilling has defined significant new high grade zinc-lead mineralisation over a strike length of at least 1.9km (ASX:RXL 5 August 2013, 26 August 2013, 18 September 2013, 11 October 2013, 27 October 2014, 10 November 2014, 15 December 2014, 29 September 2015, 9 November 2015, 17 November 2015). Teena is the most significant new discovery of zinc in Australia since Century in 1990.

Under the terms of the Agreement, Teck has earned a 51% interest, with Rox holding the remaining 49%. Teck has elected to earn a further 19% (for 70% in total) by spending an additional A\$10m by 31 August 2018 (ASX:RXL 21 August 2013).

Bonya Copper Project (51% + Farm-in Agreement to earn up to 70%)

Rox (51%) is exploring the Bonya Copper Project located 350km east of Alice Springs, Northern Territory, in joint venture with Arafura Resources Limited (49%) (ASX:ARU). 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). 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, 5 November 2014, 1 December 2014).

Under the Farm-in Agreement Rox has earned a 51% interest in the copper, lead, zinc, silver, gold, bismuth and PGE mineral rights at Bonya after spending \$500,000 (ASX:RXL 16 December 2014). Rox has elected to earn a further 19% (for 70% in total) by spending a further \$1 million by 10 December 2016.