

Rox Resources Limited

ASX: RXL

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Projects:

Mt Fisher: nickel-gold (100%)

Reward: zinc-lead (49%)

Bonya: copper-silver (earning up to 70%)



\$72,000 DRILL FUNDING SECURED FOR FISHER EAST

- **Rox awarded three grants totalling \$72,000**
- **Co-funding part of WA Government's Exploration Incentive Scheme (EIS)**
- **Funds allocated to test targets at the Sabre nickel sulphide prospect at Fisher East**
- **Drilling program expected to be undertaken during 2016**

Rox Resources Limited (**ASX: RXL**) ("**Rox**" or "**the Company**") is pleased to announce it has been awarded three grants under the WA Government's Exploration Incentive Scheme (EIS), totalling \$72,000 to support exploration at the Company's 100% owned Fisher East nickel project, located 450km north of Kalgoorlie in Western Australia (Figure 1).

The co-funding will be allocated to drilling at the Sabre prospect which is one of several nickel sulphide targets at the Fisher East nickel project (Figures 1 & 2). Under the EIS guidelines, the funding covers direct drilling costs which Rox is required to match.

Rox Managing Director, Ian Mulholland said, *"This is in addition to \$25,000 of funding still available to Rox under a previous EIS funding round. We have a really strong target at Sabre with a significant untested EM conductor. Previous drilling already suggests that Sabre will be our fourth nickel sulphide deposit at Fisher East, with drill results such as 10m @ 1.9% Ni, so this funding will assist us in exploring the further potential there."*

"A previous funding grant in 2013 assisted us in drilling the first diamond hole at the Camelwood deposit, so we would like to take this opportunity to again sincerely thank the WA Government for their continued support of the exploration sector."

It is anticipated the co-funded drilling will be undertaken at Fisher East in the second half of 2016.

ENDS

For more information:

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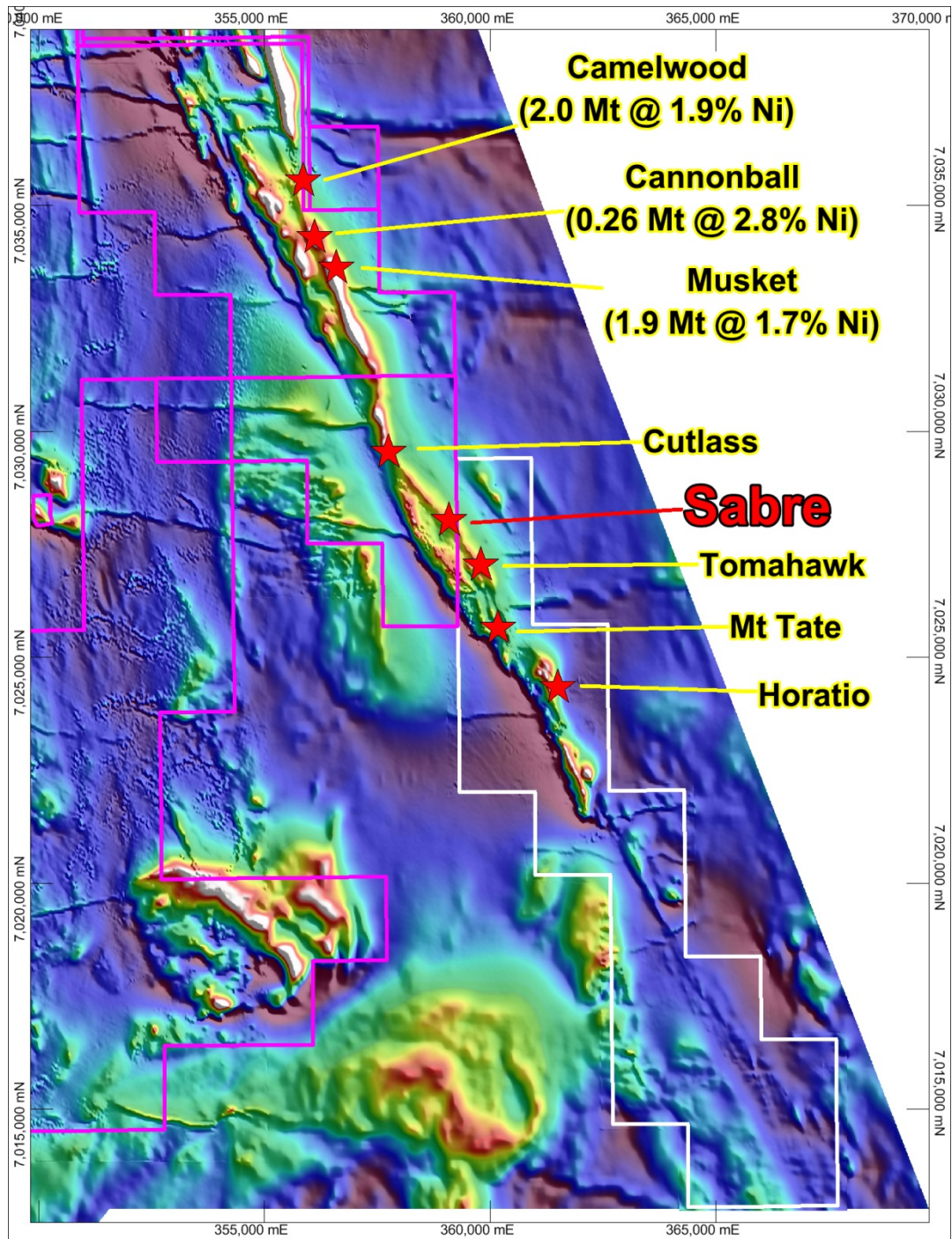


Figure 1: Fisher East Nickel Sulphide Deposit (showing resources) and Prospect Locations

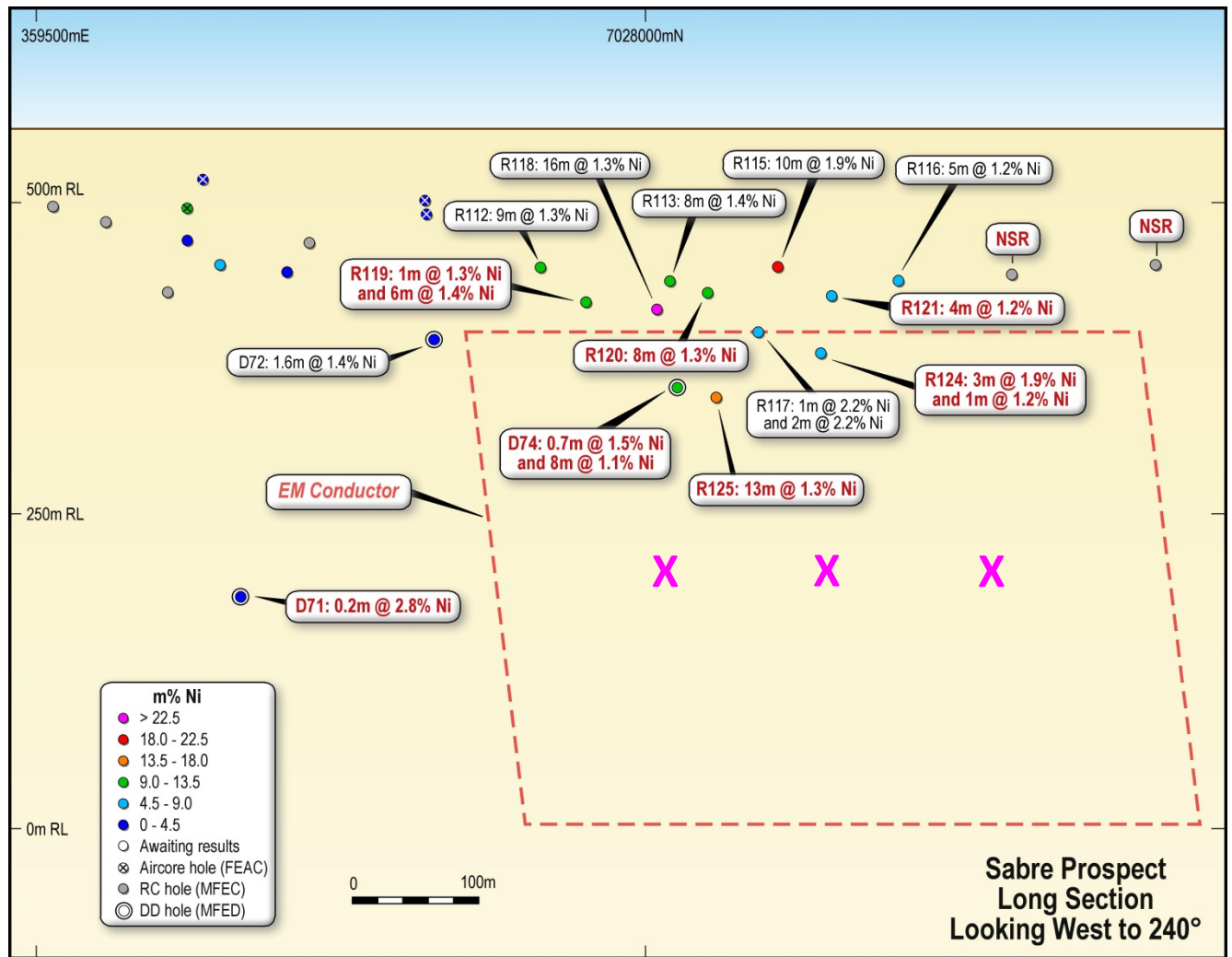


Figure 2: Sabre Prospect Long Section showing current drilling and planned drill intersection points

Competent Person Statements:

Resource Statements

The information in this report that relates to nickel Mineral Resources for the Fisher East project was reported to the ASX on 5 February 2016 (JORC 2012). Rox confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 5 February 2016, and that all material assumptions and technical parameters underpinning the estimates in the announcement of 5 February 2016 continue to apply and have not materially changed.

The information in this report that relates to zinc-lead Mineral Resources for the Reward project was reported to the ASX on 15 March 2010 (JORC 2004) and 1 June 2016 (JORC 2012). Rox confirms that it is not aware of any new information or data that materially affects the information included in the announcements of 15 March 2010 and 1 June 2016, and that all material assumptions and technical parameters underpinning the estimates in the announcements of 15 March 2010 and 1 June 2016 continue to apply and have not materially changed.

The information in this report that relates to gold Mineral Resources for the Mt Fisher project was reported to the ASX on 10 February 2012 (JORC 2004). Rox confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 10 February 2012, and that all material assumptions and technical parameters underpinning the estimates in the announcement of 10 February 2012 continue to apply and have not materially changed.

General

In the case of any Exploration Results and Mineral Resources reported under the 2004 JORC Code, 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 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 several nickel sulphide deposits. 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, Cannonball and Musket nickel prospects has defined a JORC 2012 Mineral Resource (ASX:RXL 5 February 2016) of **4.2Mt grading 1.9% Ni** reported at 1.0% Ni cut-off (Indicated Mineral Resource: 3.7Mt grading 1.9% Ni, Inferred Mineral Resource: 0.5Mt grading 1.5% Ni) comprising massive and disseminated nickel sulphide mineralisation, and containing 78,000 tonnes of nickel. Higher grade mineralisation is present in all deposits (refer to ASX announcement above), and is still open at depth beneath each deposit. Additional nickel sulphide deposits continue to be discovered (e.g. 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.

A joint venture has been signed with Doray Minerals Limited ("Doray") to explore the Mt Fisher gold tenements (ASX:RXL 16 May 2016), with Doray required to spend \$1 million within the first year. Following that Doray can spend \$4 million over a further two years to earn a 51% interest, and increase its interest to 75% by expenditure of a further \$5 million over an additional two years.

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 **44 Mt @ 5.0% Zn+Pb** reported at a 3.0% Zn+Pb cut-off (Indicated: 5.8 Mt @ 3.6% Zn, 0.9% Pb; Inferred: 37.8 Mt @ 4.2% Zn, 1.0% Pb).

Drilling at the Teena zinc-lead prospect from 2013 to 2015 discovered significant zinc-lead mineralisation over thicknesses exceeding 20m over a strike length of at least 1.3km (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, 17 December 2015).

Teena has a JORC 2012 Inferred zinc-lead Mineral Resource (ASX:RXL 1 June 2016) of **58 Mt @ 12.7% Zn+Pb** (11.1% Zn, 1.6% Pb) at a 6% Zn+Pb% cut-off, and 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 a total of \$15m 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.