



15 January 2013

By email

Sandra Wutete
Adviser, Listings Compliance (Perth)
ASX Compliance Pty Limited
Level 8 Exchange Plaza
2 The Esplanade
PERTH WA 6000
Facsimile: (08) 9221 2020

Dear Ms Wutete

Rox Resources Limited (the Company) – Price Query - Announcement dated 14 January 2013

I refer to your letter dated 14 January 2013.

In your letter, you have asked the Company to answer the questions set out on pages 2 and 3 of the letter having regard to the Company's Response to ASX letter dated 10 January 2013, the Company's Trading Halt Request on 11 January 2013, the definition of "aware" in chapter 19 of the listing rules, listing rule 3.1 and Guidance Note 8 – Continuous Disclosure.

The Company's answers to your questions are set out below, adopting the same numbering in your letter for ease of reference.

We adopt the definitions used in your letter of 14 January 2013.

1 *Does the Company believe that the information contained in the Announcement is material to the Company?*

Yes.

2 *If the answer to question 1 is "yes", please advise the following:*

2.1 *When did the Company first become aware of the information contained in the Announcement? Please include details of the relevant time and circumstances of the Company becoming aware of the Drilling Assay Results.*

On Thursday 10 January 2013:

- the Price query from ASX was emailed to the Company Secretary, Mr Brett Dickson, at 10.08am;
- both Mr Ian Mulholland (managing director of the Company and geologist) and Mr Jeff Gresham (non-executive chairman of the Company) were on annual leave overseas, with Mr Mulholland in Italy and Mr Gresham in Japan;
- Mr Brett Dickson (finance director and company secretary) was also on annual leave, but sent the Response to the Price Query to ASX at 11.36am (WST);
- prior to sending the Response to ASX, Mr Dickson contacted the senior geologist to the Company, Mr Will Belbin who was in the West Perth office of the Company, to enquire whether any assay results had been received by the Company. The senior geologist informed Mr Dickson that the assay results were not yet available;

- at approximately 2.45pm (WST) and after the Company's Response to ASX letter was sent (and after the markets closed), Mr Dickson was notified by SMS by the senior geologist that the assay results were available to the senior geologist;
- the assay results were delivered/mailed to the Company at 2:40pm and were delivered to Mr Mulholland at 2:47pm;
- during the evening of 10 January 2013, the Company's board members considered the need for a trading halt to allow time for the Company to enable a review and verification of the assay results and to prepare an appropriate Announcement
- at 10.37pm (WST) on 10 January 2013, Mr Dickson on behalf of the Company requested a trading halt.

I note that:

- substantial work was required to first verify and interpret the assay results, check standards and duplicate standards and prepare relevant diagrams for the proposed Announcement to put the assay results into proper context.
- Mr Mulholland was responsible for providing the instructions required for this work;
- from 11 January until 13 January 2013, the Company's board members (two of whom were still overseas) worked on preparing the Announcement, which was finalised at 12.37am (WST) on Sunday, 13 January 2013.

2.2 *If the Company was aware of the Drilling Assay Results prior to the Trading Halt Request, please advise why the Company did not make an announcement at an earlier time or request a trading halt at an earlier time? Please comment specifically on the application of listing rule 3.1.*

We refer to our answer to question 2.1 above. Whilst the assay results were received at 2:40pm on 10 January 2013 after the close of the markets, the Company was unable to prepare the Announcement until the analysis and verification was undertaken as described above.

The earliest time at which the Company could enter the trading halt was on Friday 11 January 2013. A request was promptly and properly made for a trading halt.

The Company went into a trading halt so that the announcement could be properly considered and prepared so as to ensure the Company was in full compliance with its disclosure obligations.

The earliest time at which the Company could make the Announcement was on 14 January 2013.

3 *If the answer to question 1 is "no", please advise the basis on which the Company does not consider the Announcement to be material.*

Not applicable.

4 *Please confirm that the Company is in compliance with listing rule 3.1.*

The Company is in compliance with listing rule 3.1.

Yours faithfully



Brett Dickson
Company Secretary



ASX Compliance Pty Limited
ABN 26 087 780 489
Level 8 Exchange Plaza
2 The Esplanade
PERTH WA 6000

GPO Box D187
PERTH WA 6840

Telephone 61 8 9224 0000
Facsimile 61 8 9221 2020

www.asx.com.au

14 January 2013

Mr Brett Dickson
Company Secretary
Rox Resources Limited
Level 1
30 Richardson Street
WEST PERTH WA 6005

By Email: bdickson@roxresources.com.au

Dear Brett

Rox Resources Limited (the "Company")

We refer to:

- the recent change in the price of the Company's securities from a closing price of \$0.065 on Friday, 4 January 2013 to an intra-day high of \$0.098 on Thursday 10 January 2013;
- the price query letter from ASX dated 10 January 2013 in which ASX queried the recent increased price movement in the Company's securities;
- the Company's response to the price query letter dated 10 January 2013 ("Response to ASX") in which the Company stated, among other things, that it was not aware of any information that has not been announced that could explain the price movement;
- the Company's letter requesting a trading halt in the Company's securities released to ASX on 11 January 2013 ("Trading Halt Request") in which the Company advised that assay results for RC drilling from the Mt Fisher project had been received by the Company on the afternoon of Thursday, 10 January 2013 ("Drilling Assay Results");
- the trading halt in dealing in the Company's securities called at 9:02am (EST) on 11 January 2013; and
- the Company's announcement released to ASX today at 10:32am (EST) entitled "**Assay Results Confirm Nickel Discovery**" ("Announcement") in which the Company announced that assays from RC drilling at its Fisher East nickel sulphide discovery have confirmed previous portable XRF analyses and returned generally higher grade and thicker nickel intercepts than previously logged.

We wish to draw your attention to the definition of "aware" in chapter 19 of the listing rules which states that:

“an entity becomes aware of information if a director or executive officer (in the case of a trust, director or executive officer of the responsible entity or management company) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as a director or executive officer of that entity”

Further, we wish to draw your attention to listing rule 3.1 which requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity’s securities. The exceptions to this requirement are set out in listing rule 3.1A.

Paragraph 18 of Guidance Note 8 states:

“Once a director or executive officer becomes aware of information, he or she must immediately consider whether that information should be given to ASX. An entity cannot delay giving information to ASX pending formal sign-off or adoption by the board, for example.”

Please note that for disclosure not to be required under listing rule 3.1, all of the exceptions under listing rule 3.1A must apply:

- “3.1A.1 *A reasonable person would not expect the information to be disclosed.*
- 3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential.*
- 3.1A.3 *One or more of the following applies.*
 - *It would be a breach of a law to disclose the information.*
 - *The information concerns an incomplete proposal or negotiation.*
 - *The information comprises matters of supposition or is insufficiently definite to warrant disclosure.*
 - *The information is generated for the internal management purposes of the entity.*
 - *The information is a trade secret.”*

Finally, we would like to draw your attention to ASX’s policy position on the concept of “confidentiality” which is detailed in paragraphs 34 to 40 of Guidance Note 8. In particular, paragraphs 34 and 35 of the Guidance Note state that:

*“‘Confidential’ in this context has the sense of ‘secret’.
Loss of confidentiality may be indicated by otherwise unexplained changes to the price of the entity’s securities, or by reference to the information in the media or analysts’ reports”.*

Having regard to the Response to ASX and the Trading Halt Request, the above definitions, listing rule 3.1 and Guidance Note 8 - Continuous Disclosure, we ask that you answer the following questions in a format suitable for release to the market in accordance with listing rule 18.7A:

1. Does the Company believe that the information contained in the Announcement is material to the Company?
2. If the answer to question 1 is “yes”, please advise the following:

- 2.1. When did the Company first become aware of the information contained in the Announcement? Please include details of the relevant time and circumstances of the Company becoming aware of the Drilling Assay Results.
- 2.2. If the Company was aware of the Drilling Assay Results prior to the Trading Halt Request, please advise why the Company did not make an announcement at an earlier time or request a trading halt at an earlier time? Please comment specifically on the application of listing rule 3.1.
3. If the answer to question 1 is “no”, please advise the basis on which the Company does not consider the Announcement to be material.
4. Please confirm that the Company is in compliance with listing rule 3.1.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Please note the ASX reserves its right under listing rule 18.7 to release this letter and the Company's response to the market. Accordingly the Company's response should address each question separately and be in a format suitable for release to the market.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately. Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than **3:00pm (WST) tomorrow, being Tuesday, 15 January 2013.**

Your response should be sent to ASX by facsimile on **facsimile number (08) 9221 2020**. It should not be sent to the ASX Market Announcements Office.

If you have any queries regarding any of the above, please contact me on +61 8 9224 0035.

Yours sincerely,

[sent electronically without signature]

Sandra Wutete
Adviser, Listings Compliance (Perth)