

ASX ANNOUNCEMENT

9 November 2022

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Rox Resources raises \$4.0 million via Placement and \$1.0 million SPP to be launched

ROX RESOURCES LIMITED

ASX: RXL

Rox Resources Limited (ASX: RXL) is an Australian listed Company with advanced gold projects in Western Australia: the Youanmi Gold Project and the Mt Fisher Gold project

DIRECTORS

Mr Stephen Dennis
Chairman

Mr Robert Ryan
Managing Director

Dr John Mair
Non-Executive Director

Shares on Issue	168.9m
Share Price	\$0.19
Market Cap.	\$32m
Cash	\$1.8m

(as at 30 Sept 2022)

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Highlights:

- Binding commitments received for a \$4.0 million placement (before costs) to sophisticated and professional investors at \$0.165 per share
- Issue price represents a 13.2% discount to the last closing price and 19.0% discount to the 5-day VWAP
- Share Purchase Plan offer to all eligible shareholders to raise \$1.0 million (with the ability to accept over subscriptions) at the same issue price as the Placement
- Rox Resources' largest shareholder, Hawke's Point, has committed to participate and maintain its current shareholding of 13.18%

West Australian focused gold exploration and development company Rox Resources Limited (**Rox** or **the Company**) (**ASX:RXL**) is pleased to announce that it has received binding commitments to raise \$4.0 million (before costs) via a placement of c24.24 million new fully paid ordinary shares (**Shares**) to institutional and sophisticated investors at an issue price of \$0.165 per Share (**Placement**), including c\$0.66m from the Company's largest shareholder, Hawke's Point (RRL) L.P (**Hawke's Point**).¹ The issue of Shares to Hawke's Point is subject to the Company obtaining shareholder approval (refer below for further details).

The fund raising was well supported by new and current shareholders and provides the Company with the funds progress it's studies at the Youanmi Gold Project.

In addition to the Placement, Rox will offer all of its existing eligible shareholders the opportunity to subscribe for up to a maximum of \$30,000 worth of Shares each at an issue price of \$0.165 per Share under a share purchase plan (**SPP**), to raise an additional \$1 million (before costs). Refer below for further details on the SPP.

1. Hawke's Point's commitment of c\$0.66 million assumes that \$1 million (before costs) is raised under the SPP. Refer below for further details.

Funds from the Placement and SPP will be utilised to progress resource drilling, near mine exploration and feasibility studies at the Company's flagship Youanmi Gold Project as it heads toward development.

Hawke's Point has committed to subscribe for c4.0 million Shares under the Placement to raise c\$0.66 million. Hawke's Point's commitment of c\$0.66 million assumes that \$1 million (before costs) is raised under the SPP. If less than \$1 million is raised under the SPP, Hawke's Point's c\$0.66 million commitment will reduce to the extent necessary to retain its current shareholding of 13.18% after the issue of Shares under the Placement and SPP. Alternatively, if the Company elects to accept over subscriptions in excess of \$1 million under the SPP, Hawke's Point has committed to subscribe for such additional number of Shares required to retain its current shareholding of 13.18% after the issue of Shares under the Placement and SPP.

The issue of Shares to Hawke's Point is subject to the Company obtaining shareholder approval at a general meeting to be held in or around early January 2023 (**Meeting**). Further details on the Meeting time and venue will be provided in the notice of meeting (**Notice**) to be dispatched to shareholders shortly.

The Shares under the Placement will be issued to institutional and sophisticated investors (excluding Hawke's Point) pursuant to the Company's existing placement capacity under ASX Listing Rules 7.1 and 7.1A. Settlement of the Placement (excluding Hawke's Point) is expected to occur on or around Tuesday, 15 November 2022. The new Shares will rank equally with the Company's existing shares on issue.

An indicative timetable for the Placement and SPP is detailed below.

Canaccord Genuity (Australia) Limited, Taylor Collison Limited and RM Corporate Finance Pty Ltd acted as Joint Lead Managers to the Placement.

Managing Director Rob Ryan commented:

"Rox is delighted with the strong support for the placement and would like to thank existing shareholders for their continuing support, as well as welcoming a number of new investors to the Company's register. We anticipate the Share Purchase Plan will also be well supported by other eligible shareholders which, collectively, reflects the market's confidence in our chosen commercialisation strategy for the Youanmi Gold Project.

Pleasingly, we believe that investors have recognised the robustness and validity of the recently released Scoping Study for the Youanmi Gold Project, which details a conservative low-cost, high-return project targeting annual gold production of approximately 71koz per annum with an average gold head grade of 5.0g/t Au for a total gold production target of approximately 570koz over an initial 8-year life of mine.

It is also a vote of confidence in Rox's senior management team and Board, which has the skills and experience to continue progressing drilling and feasibility activities at Youanmi and thereby build shareholder value for all Rox shareholders, and we look forward to updating the market in the near term in this regard."

Share Purchase Plan

In addition to the Placement, the Company will conduct an SPP to raise an additional \$1 million (before costs), with the ability to accept over subscriptions. Under the SPP, eligible Rox shareholders at the record date of 7:00pm (AEDT) on Tuesday, 8 November 2022 with a registered address in Australia, New Zealand or the United Kingdom (**Eligible Shareholders**) will have the opportunity to apply for up to \$30,000 worth of Shares at the issue price of \$0.165 without incurring brokerage or other transaction costs. The SPP is not underwritten.

The SPP will open on Thursday, 17 November 2022 and is expected to close at 5:00pm (AEDT) on Thursday, 1 December 2022.

The Company intends to raise \$1 million from the SPP. However, if total demand for the SPP exceeds \$1 million, the Directors may in their absolute discretion, undertake a scale back to the extent and in the manner they see fit. Alternatively, the Company may elect to accept over subscriptions in excess of \$1 million, subject to the maximum permitted under the ASX Listing Rules.

Subject to the ASX Listing Rules, to the extent that there is a shortfall in the subscription of Shares under the SPP (**Shortfall**), the Directors reserve the right to issue Shares that comprise the Shortfall to institutional, sophisticated and professional investors at their absolute discretion.

The full terms and conditions of the SPP will be set out in the SPP Offer Booklet, which is expected to be released to the ASX and dispatched to Eligible Shareholders via their preferred method of contact on Thursday, 17 November 2022.

New Shares to be issued under the SPP will rank equally with the Company's existing shares on issue.

Indicative Timetable

Key Event	Date / time (Sydney time)
Record Date for Share Purchase Plan	7:00pm on Tuesday, 8 November 2022
Settlement of Placement Shares (excluding Hawke's Point)	Tuesday, 15 November 2022
Allotment and trading of Placement Shares (excluding Hawke's Point)	Wednesday, 16 November 2022
Lodgement and Dispatch SPP Offer Documents	Thursday, 17 November 2022
SPP Opens	Thursday, 17 November 2022
SPP Closes	5:00pm on Thursday, 1 December 2022
Issue of New Shares under SPP	Thursday, 8 December 2022
Dispatch Notice of Meeting	Friday, 9 December 2022
General Meeting to approve issue of Shares to Hawke's Point	Monday, 9 January 2023
Settlement of Shares to be issued to Hawke's Point	Tuesday, 10 January 2023
Allotment and trading of Shares to be issued to Hawke's Point	Wednesday, 11 January 2023

Note:

This timetable is indicative only and may be subject to change. The commencement of trading and quotation of Shares under the Placement and SPP is subject to confirmation from the ASX and requirements of the Corporations Act, the Listing Rules and other applicable rules. Rox reserves the right to amend this timetable at any time, including extending the period for the SPP or accepting applications generally or in particular cases, without notice. Accordingly, shareholders are encouraged to submit their Application Forms as early as possible.

All amounts are in Australian dollars unless otherwise indicated.

Authorised for release to the ASX by the Board of Rox Resources Limited.

*****ENDS*****

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