

ROX RESOURCES LIMITED

ABN 53 107 202 602

REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

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Corporate Directory

Directors:

Mr Jeff Gresham
Non-Executive Chairman

Mr Ian Mulholland
Managing Director

Mr Brett Dickson
Finance Director

Company Secretary:

Mr Brett D Dickson

Bankers:

Westpac Banking Corporation
40 St George's Terrace
Perth WA 6000

Auditor:

Ernst & Young
Ernst & Young Building
11 Mounts Bay Road
Perth WA 6000

Telephone: (08) 9429 2222
Facsimile: (08) 9429 2436

Solicitor:

K & L Gates
Level 32, St Martins Tower
44 St Georges Terrace
Perth WA 6000

Telephone: (08) 9216 0900
Facsimile: (08) 9216 0901

For shareholder information contact:

Share Registry:

Computershare Registry Services Pty Ltd
Level 2, Reserve Bank Building
45 St Georges Terrace
Perth WA 6000

Telephone: (08) 9323 2000
Facsimile: (08) 9323 2033

Stock Exchange:

Australian Securities Exchange

Company Code:
RXL (Fully Paid Shares)

Listed Securities:

849,673,095 Fully paid ordinary shares

Un-Listed Securities:

1,250,000 5.7 cent, 28 February 2017 options
6,000,000 2.5 cent, 30 November 2015 options
17,500,000 5.6 cent, 30 November 2017 options
21,237,301 8.0 cent, 31 March 2017 options

For information on your company contact:

Principal & Registered Office:

Level 1
30 Richardson Street
West Perth WA 6005

Telephone: (08) 9226 0044
Facsimile: (08) 9322 6254
Web: www.roxresources.com.au

ROX RESOURCES LIMITED

ABN 53 107 202 602

DIRECTOR'S REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

Your directors submit the financial report of the Rox Resources Limited ("the Company") for the half-year ended 31 December 2014.

DIRECTORS

The names of the Company's directors in office during the financial period and until the date of this report are:

Mr Jeffrey Gresham

Mr Brett Dickson

Mr Ian Mulholland

Directors have been in office since the start of the financial period to the date of the report.

REVIEW OF OPERATIONS

The loss for the half-year ended 31 December 2014 was \$3,077,956 (2013: \$2,019,432). This loss was principally due to significant expenditure on exploration activities during the period totalling \$2,475,805 (2013 \$1,499,296).

During the period the Company successfully completed a placement of shares which raised \$4,500,500 (before expenses of the plan) through the issue of 104,662,791 shares at \$0.043 each.

Exploration Activities

Rox has continued its extraordinary run of success during the six months ended 31 December 2014.

Mt Fisher Gold-Nickel Project, WA (Rox 100% and option to earn 100%)

Significant activity at Mt Fisher continued at the Mt Fisher project in Western Australia.

An updated Mineral Resource estimate was completed and now comprises **3.6 million tonnes grading 2.0% Ni for 72,100 tonnes of contained nickel**. Full details are set out in the tables below.

Drilling has continued to intersect strong nickel sulphide mineralisation at Musket and Cannonball that will increase mineral resources and in addition ground EM has defined strong anomalies for drilling at the Cutlass prospect.

Metallurgical testwork on Camelwood and Musket ore samples was completed and returned positive results. Following the positive metallurgical results a Scoping Study was commenced during the period to examine various development options for the project.

Table 1: Musket Mineral Resource reported at a 1.0% nickel cut-off

Musket Mineral Resource - August 2014			
	Tonnes (Mt)	Grade	Contained Metal
		Ni %	Nickel (kt)
Indicated Mineral Resource			
Indicated	1.2	2.0	24.0
Inferred	0.9	1.5	13.5
Total	2.1	1.8	37.5

Table 2: Musket Mineral Resource reported at a 2.5% nickel cut-off

Musket Mineral Resource - August 2014			
	Tonnes (Mt)	Grade	Contained Metal
		Ni %	Nickel (kt)
Indicated Mineral Resource			
Indicated	0.08	10.0	7.6
Inferred	0.02	10.5	2.5
Total	0.10	10.1	10.1

Table 3: Combined Camelwood-Musket Mineral Resource Estimate at 1.0% Cut-Off Grade

Deposit	Category	Tonnes (Mt)	Grade	Contained Metal
			Ni%	Nickel (kt)
Musket	Indicated	1.2	2.0	24.0
	Inferred	0.9	1.5	13.5
	Total	2.1	1.8	37.5
Camelwood	Indicated	0.6	2.4	13.8
	Inferred	1.0	2.1	20.8
	Total	1.6	2.2	34.6
TOTAL	Indicated	1.8	2.1	37.8
	Inferred	1.9	1.8	34.3
	Total	3.6	2.0	72.1

Note: Figures may not add up exactly due to rounding errors.

The Camelwood Mineral Resource was previously reported, ASX:RXL 3 October 2013 while the Musket Mineral Resource was reported, ASX:RXL 4 September 2014.

Reward Zinc-Lead Project, NT (Rox 49%, Teck 51% with option to increase to 70%)

A 4,000 metre diamond drilling program was completed at the Teena prospect on the Reward project in the Northern Territory. The drilling has continued to define and delineate the large mineralised system at the Teena zinc-lead prospect, which now extends for over 1.9km in strike length and 0.8km width.

The drilling and exploration program is being fully funded and managed by Teck Australia Pty Ltd (“Teck”) under an earn-in and joint venture agreement. Current project interests are Rox 49%, Teck 51%, with Teck currently increasing their interest to 70% by expenditure of \$15m by 31 August 2018.

Bonya Copper Project, NT (Rox 51%, earning up to 70%)

At the Bonya copper project in the Northern Territory RC and diamond drilling has continued to intersect zones of massive copper sulphide mineralisation at the Bonya Mine prospect. With results including (ASX:RXL 5 November 2014, 1 December 2014):

BYRC014: **8m @ 7.6% Cu** from 97m, and
13m @ 5.4% Cu from 111m,

BYRC015: **9m @ 2.8% Cu** from 100m

BYRC018: **5m @ 9.1% Cu** from 109m, and
11m @ 3.9% Cu from 121m

Follow-up of this drilling is planned for 2015.

Rox has earned a 51% interest in the project under a Farm-in Agreement with Arafura Resources NL (ASX:ARU) and has elected to increase its interest to 70% by expenditure of a further \$1 million by December 2016.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD

No matter or circumstance has arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial periods.

AUDITORS INDEPENDENCE DECLARATION

Section 307C of the *Corporations Act 2001* requires our auditors, Ernst & Young, to provide the directors of Rox Resources Limited with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is attached to the Independent Review Report to Members.

Signed in accordance with a resolution of the Directors.



I. MULHOLLAND

Director

Perth, Western Australia

Dated this 11 day of March 2015

Competent Person Statements:

The information in this report that relates to new Exploration Results for the Mt Fisher and Bonya Projects is based on information compiled by Mr Ian Mulholland BSc (Hons), MSc, FAusIMM, FAIG, FSEG, MAICD, who is a Fellow of The Australasian Institute of Mining and Metallurgy and a Fellow of the Australian Institute of Geoscientists. Mr Mulholland has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Mulholland is a full time employee and Managing Director of the Company and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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.

All reports are based on information compiled by Mr Ian Mulholland BSc (Hons), MSc, FAusIMM, FAIG, FSEG, MAICD, who is a Fellow of The Australasian Institute of Mining and Metallurgy and a Fellow of the Australian Institute of Geoscientists. Mr Mulholland has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 and 2012 Editions of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Mulholland is a full time employee of the Company and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

ROX RESOURCES LIMITED

ABN 53 107 202 602

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

	Note	31 December 2014 (\$)	31 December 2013 (\$)
Other revenue	3	31,721	16,210
Corporate expenses		(312,885)	(241,511)
Occupancy and related expenses		(101,378)	(87,590)
Salaries, wages and superannuation		(178,999)	(174,050)
Exploration expenditure expensed		(2,475,805)	(1,499,296)
Share based payments to employees		(33,584)	(24,574)
Depreciation		(7,026)	(8,621)
Loss before income tax		(3,077,956)	(2,019,432)
Income tax expense		-	-
Net Loss for the period after income tax		(3,077,956)	(2,019,432)
Other comprehensive income:			
Items that may be re-classified subsequently to profit or loss			
Other comprehensive income for the period, net of tax		-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		(3,077,956)	(2,019,432)
- Basic and diluted loss per share from operations attributable to the ordinary equity holders of the parent (cents)		(0.38)	(0.34)

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes

ROX RESOURCES LIMITED

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STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014

	Note	31 December 2014 (\$)	30 June 2014 (\$)
ASSETS			
Current Assets			
Cash and cash equivalents	4	2,919,180	2,558,066
Receivables		46,715	15,008
Prepayments		23,716	3,540
Other financial assets		44,249	40,447
Total Current Assets		3,033,860	2,617,061
Non-Current Assets			
Equipment	5	76,035	70,321
Capitalised exploration & evaluation	6	1,027,000	1,027,000
Total Non-Current Assets		1,103,035	1,097,321
Total Assets		4,136,895	3,714,382
LIABILITIES			
Current Liabilities			
Trade and other payables		222,591	1,003,736
Provisions		90,978	84,315
Total Current Liabilities		313,569	1,088,051
Total Liabilities		313,569	1,088,051
NET ASSETS		3,823,326	2,626,331
EQUITY			
Issued capital	7	35,036,983	30,795,616
Reserves		1,913,426	1,879,842
Accumulated losses		(33,127,083)	(30,049,127)
TOTAL EQUITY		3,823,326	2,626,331

The above Statement of Financial Position should be read in conjunction with the accompanying notes

ROX RESOURCES LIMITED

ABN 53 107 202 602

**STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

	Issued Share Capital	Share Option Reserve	Available for sale Asset Reserve	Accumulated (Losses)	Total
	(\$)	(\$)	(\$)	(\$)	(\$)
At 1 July 2014	30,795,616	1,879,842	-	(30,049,127)	2,626,331
Profit/(Loss) for period	-	-	-	(3,077,956)	(3,077,956)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the half year	-	-	-	(3,077,956)	(3,077,956)
Transactions with owners in their capacity as owners					
Issue of share capital	4,500,500	-	-	-	4,500,500
Share issue costs	(259,133)	-	-	-	(259,133)
Share-based payments	-	33,584	-	-	33,584
Balance as at 31 December 2014	<u>35,036,983</u>	<u>1,913,426</u>	<u>-</u>	<u>(33,127,083)</u>	<u>3,823,326</u>
At 1 July 2013	25,791,480	1,265,141	-	(24,177,913)	2,878,708
Profit/(Loss) for period	-	-	-	(2,019,432)	(2,019,432)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the half year	-	-	-	(2,019,432)	(2,019,432)
Transactions with owners in their capacity as owners					
Issue of share capital	2,389,600	-	-	-	2,389,600
Share issue costs	(123,437)	-	-	-	(123,437)
Share-based payments	-	24,574	-	-	24,574
Balance as at 31 December 2013	<u>28,057,643</u>	<u>1,289,715</u>	<u>-</u>	<u>(26,197,345)</u>	<u>3,150,013</u>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

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**STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED
31 DECEMBER 2014**

	Note	31 December 2014 \$	31 December 2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received		31,721	16,210
Payments to suppliers and employees		(693,296)	(575,230)
Expenditure on mineral interests		(3,202,137)	(2,297,153)
Net cash flows used in operating activities		<u>(3,863,712)</u>	<u>(2,856,173)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for equipment	5	(12,740)	-
Security bonds paid		(3,802)	-
Net cash flows from (used in) investing activities		<u>(16,542)</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares (net of expenses)		4,241,368	2,288,552
Net cash flows from financing activities		<u>4,241,368</u>	<u>2,288,552</u>
Net increase (decrease) in cash and cash equivalents		361,114	(567,621)
Cash and cash equivalents at beginning of period		2,558,066	2,963,670
Cash and cash equivalents at end of period	4	<u>2,919,180</u>	<u>2,396,049</u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes

ROX RESOURCES LIMITED

ABN 53 107 202 602

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 1: BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

Basis of Preparation

This financial report for the half year ended 31 December 2014 is a general purpose condensed financial report prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The half-year financial statements do not include all notes of the type normally included within the annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Company as the full financial report.

It is recommended that the half-year financial statements be read in conjunction with the annual financial statements for the year ended 30 June 2014 and considered together with any public announcements made by Rox Resources Limited during the half-year ended 31 December 2014 in accordance with the continuous disclosure obligations of the ASX listing rules.

Adoption of New and Revised Standards and Interpretations

The accounting policies adopted in the preparation of the half year report are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 30 June 2014, except for the adoption of new standards and interpretations mandatory for annual periods beginning on or before 1 July 2014, noted below:

AASB 2014-1 Part A – Annual Improvements 2010-2012 Cycle

This standard clarifies the definition of 'vesting conditions' and 'market conditions' and includes the definition of 'performance condition' and 'service condition'. It also clarifies that the determination of accumulated depreciation does not depend on the selection of the valuation technique and that it is calculated as the difference between the gross and net carrying amounts.

The adoption of AASB 2014-1 Part A did not have a material effect on the financial position or performance of the Company.

The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Going Concern

This report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The Company has incurred a net loss after tax for the period ended 31 December 2014 of \$3,077,956 (2013: \$2,019,432) and experienced net cash outflows from operating activities of \$3,863,712 (2013: \$2,856,173). At 31 December 2014, the Company had net current assets of \$2,720,291 (31 December 2013: \$2,045,029).

The Directors believe there are sufficient funds to meet the Company's working capital requirements and as at the date of this report the directors believe they can meet all liabilities as and when they fall due. However the Directors recognise that additional funding, through the issue of further shares or other means may be required for the Company to continue to actively explore its mineral properties. The directors are also aware that that the Company can relinquish certain projects in order to maintain its cash at appropriate levels.

The Directors have reviewed the business outlook and the assets and liabilities of the Company and are of the opinion that the use of the going concern basis of accounting is appropriate.

However, if the Company is unable to achieve the above, there is significant uncertainty whether the Company will be able to continue as a going concern and therefore whether it will be able to pay its debts as and when they fall due and realise its assets and extinguish its liabilities in the normal course of business at the amounts stated in the financial report.

The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts, nor the amounts or classification of liabilities that might be necessary should the Company not be able to continue as a going concern.

ROX RESOURCES LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 2: OPERATING SEGMENTS

Identification of Reportable Segments

The Company operates within the mineral exploration industry within Australia.

The Company determines its operating segments by reference to internal reports that are reviewed and used by the Board of Directors (the chief operating decision maker) in assessing performance and in determining the allocation of resources. The executive management team currently receive Statement of Financial Position and Statement of Comprehensive Income information that is prepared in accordance with Australian Accounting Standards therefore there is no additional information to disclose.

The Statement of Financial Position and Statement of Comprehensive Income information received by the executive team does not include any information by segment. The executive team manages each exploration activity of each exploration concession through review and approval of statutory expenditure requirements and other operational information.

Based on this criterion, the Company has only one operating segment, being exploration, and the segment operations and results are the same as the Company results.

	31 December 2014	31 December 2013
	\$	\$

NOTE 3: REVENUE, INCOME AND EXPENSES

Loss from ordinary activities before income tax expense includes the following revenue and expenses whose discussion is relevant in explaining the financial performance of the entity:

(a) Other revenue		
Interest revenue	31,721	16,210
	<hr/>	<hr/>

	31 December 2014	30 June 2014
	\$	\$

NOTE 4: CASH AND CASH EQUIVALENTS

For the purpose of the half-year Statement of Cash Flows, cash and cash equivalents are comprised the following.

Cash at bank and in hand	2,919,180	2,558,066
	<hr/>	<hr/>

NOTE 5: EQUIPMENT

During the six months ended 31 December 2014, the Company purchased assets with a cost of \$12,740 (2013: Nil) and disposed of assets with a cost of Nil (2013: \$30,204) and a written down value of Nil (2013: Nil).

NOTE 6: CAPITALISED EXPLORATION & EVALUATION

Areas of interest in exploration and evaluation phases	1,027,000	1,027,000
	<hr/>	<hr/>

ROX RESOURCES LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	31 December 2014	30 June 2014
NOTE 7: SHARE CAPITAL		
	Shares	\$
Balance at 1 January 2014	665,484,744	28,057,643
Option exercise	2,500,000	62,500
Placement on 25 March 2014 at \$0.045 per share	77,025,560	3,466,150
Share issue costs	-	(790,677)
Balance at 30 June 2014	745,010,304	30,795,616
Balance at 1 July 2014	745,010,304	30,795,616
Placement 26 September 2014 at \$0.043 per share	104,662,791	4,500,500
Share issue costs	-	(259,133)
Balance as at 31 December 2014	849,673,095	35,036,983

NOTE 8: COMMITMENTS AND CONTINGENCIES

There are no changes to the commitments and contingencies disclosed in the most recent annual financial report.

NOTE 9: EVENTS AFTER THE BALANCE SHEET DATE

No matter or circumstance has arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial periods.

NOTE 10: SHARE BASED PAYMENTS

During the financial period 17,500,000 options were granted. The exercise price of the options of \$0.056 was a 50% premium to the 30 day VWAP for the 30 day period immediately prior to their issue date. One half of the options vest after 12 months with the balance vesting after 24 months. The fair value of the options granted is estimated at the date of grant using a binomial pricing model, taking into account the terms and conditions upon which the options were granted and was estimated using the following assumptions.

Exercise Price (cents)	5.6
Weighted average share price	2.9
Expected life (years)	3.0
Expected volatility (%)	100
Dividend yield (%)	-
Risk-free interest rate (%)	2.35

For the six months ended 31 December 2014 the Company recognised \$33,584 of share-based payments transactions expense in the statement of comprehensive income (2013: \$24,574).

NOTE 11: RELATED PARTY TRANSACTIONS

Coolform Investments Pty Ltd, a company in which Mr Dickson is a director and shareholder, received fees totalling \$72,180 (2013: \$72,150) for the provision of services.

During the financial period the Company paid fees totalling \$63,140 (including GST) (2013:\$ 63,140) to Azure Minerals Limited, a company of which Mr Dickson is an officer, for the provision of office accommodation. The Company also received fees totalling \$15,959 (including GST) (2013: \$14,480) from Azure Minerals Limited being reimbursement for the provision of office secretarial support.

All of the above mentioned related party transactions were entered into on arm's length commercial terms.

NOTE 12: FINANCIAL INSTRUMENTS

As at 31 December 2014, all financial instruments are recognised at carrying amounts that are equal to their fair values.

ROX RESOURCES LIMITED

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DECLARATION BY DIRECTORS

In accordance with a resolution of the directors of Rox Resources Limited, I state that:

In the opinion of the directors

- (a) The financial statements and notes of Rox Resources Limited are in accordance with the *Corporations Act 2001*, including:
- (i) Giving a true and fair view of the financial position as at 31st December 2014 and the performance for the half year ended on that date of the Company.
 - (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.
- (b) Subject to the achievement of the matters described in Note 1, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



I. MULHOLLAND

Director

Perth, Western Australia

Dated this 11 day of March 2015

To the members of Rox Resources Limited

Report on the half-year financial report

We have reviewed the accompanying half-year financial report of Rox Resources Limited which comprises the statement of financial position as at 31 December 2014, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal controls as the directors determine are necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2014 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*. As the auditor of Rox Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of *the Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

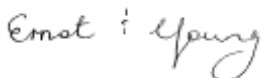
Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Rox Resources Limited is not in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the company's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Emphasis of matter

Without qualifying our conclusion, we draw attention to Note 1 to the financial report which describes the principal conditions that raise doubts about the company's ability to continue as a going concern. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern, and therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report.



Ernst & Young



Fiona Drummond
Partner
Perth
13 March 2015



Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

Auditor's Independence Declaration to the Directors of Rox Resources Limited

In relation to our review of the financial report of Rox Resources Limited for the half-year ended 31 December 2014, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young

Fiona Drummond
Partner
13 March 2015