

**Rox Resources Limited**  
**ABN 53 107 202 602**  
**Notice of General Meeting and**  
**Explanatory Memorandum**

**Date of Meeting**

28 July 2020

**Time of Meeting**

10 am (WST)

**Place of Meeting**

The Park Business Centre  
45 Ventnor Avenue  
West Perth WA 6005

**A Proxy Form is enclosed**

Please read this Notice of General Meeting and Explanatory Memorandum carefully.

If you are unable to attend the General Meeting, please complete and return the enclosed Proxy Form in accordance with the specified directions.

# Rox Resources Limited

ABN 53 107 202 602

## Notice of General Meeting

**NOTICE IS GIVEN** that a General Meeting of Shareholders of Rox Resources Limited ABN 53 107 202 602 (**Company**) will be held at The Park Business Centre, 45 Ventnor Avenue West Perth WA 6005 on 28 July 2020 at 10 am (WST) for the purpose of transacting the business referred to in this Notice of General Meeting.

An Explanatory Memorandum containing information in relation to each of the following Resolutions accompanies this Notice. Terms used in the Resolutions contained in this Notice have the meaning given to them in the glossary in the Explanatory Memorandum.

### Agenda

#### Resolution 1 – Ratification of prior issue of Shares under Placement

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 364,486,492 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting exclusion statement:** The Company will disregard any votes cast in favour of Resolution 1 by or on behalf of a person who participated in the issue or an associate of that person (or those persons). However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on Resolution 1, in accordance with the directions given to the proxy or attorney to vote on Resolution 1 in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 1; and
  - (ii) the holder votes on Resolution 1 in accordance with directions given by the beneficiary to the holder to vote in that way.

#### Resolution 2 – Approval for the issue of Shares to Venus

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is for the Company to issue up to 41,666,667 Shares to Venus Metals Corporation Limited on the terms and conditions set out in the Explanatory Statement.”*

**Voting exclusion statement:** The Company will disregard any votes cast in favour of Resolution 2 by or on behalf of a person who may participate in the proposed issue of Shares under Resolution 2 (being Venus Metals Corporation Limited) or any other person who might obtain a material benefit as a result of, the proposed issue (except a benefit solely in their capacity as holder of ordinary securities) if this Resolution is passed or any of their associates.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on Resolution 2, in accordance with the directions given to the proxy or attorney to vote on Resolution 2 in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 2; and
  - (ii) the holder votes on Resolution 2 in accordance with directions given by the beneficiary to the holder to vote in that way.

**By order of the Board**

**Brett Dickson**

Company Secretary

Dated: 24 June 2020

## How to vote

Voting on all proposed resolutions at the Meeting will be conducted by poll. Under the Company's Constitution, any poll will be conducted as directed by the Chairman.

Shareholders can vote by either:

- attending the Meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the Proxy Form accompanying this Notice and by submitting their Proxy Form online, by mobile, by post or by facsimile.

Resolutions 1 and 2 are required to be passed as ordinary resolutions, being a simple majority of votes cast by Shareholders present (in person, by proxy or representative) and entitled to vote on the Resolution.

### Voting in person or by attorney

Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the Company's share register and their attendance recorded. A certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms below.

### Voting by a corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. Written proof of the representative's appointment (including any authority under which it is signed) must be lodged with, or presented to the Company before the Meeting.

### Voting by proxy

- A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and to speak at the Meeting.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. where there are two proxies, each proxy may exercise half of the votes).
- A proxy need not be a Shareholder. The proxy can be either an individual or a body corporate.
- subject to the restrictions set out in the voting exclusion statement for the relevant resolution, if a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit.

- Should any resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.
- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
- A Shareholder who returns their Proxy Form with a direction how to vote, but does not nominate the identity of their proxy, will be taken to have appointed the Chairman of the Meeting as their proxy to vote on their behalf. If a Proxy Form is returned with a direction how to vote, but the nominated proxy (who is not Chairman of the Meeting) does not attend the Meeting or does not vote on the relevant Resolution(s), the Chairman of the Meeting will act in place of the nominated proxy and vote on a poll in accordance with any instructions.
- Proxy appointments in favour of the Chairman of the Meeting, the secretary or any Director that do not contain a direction how to vote will be used, where possible, to support each of the Resolutions proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to some of the proposed Resolutions. These rules are explained in this Notice. However, in exceptional circumstances, the Chairman of the Meeting may change his voting intention, in which case an ASX announcement will be made.
- Proxies must be received by **10 am (WST) on 26 July 2020** being 48 hours prior to the Meeting. Proxies received after this time will be invalid. • Proxies may be lodged using any of the following methods:
  - **Online:** [www.investorvote.com.au](http://www.investorvote.com.au)
  - **By mobile:** Scan the QR Code on your proxy form and follow the prompts.
  - **By mail:**  
Computershare Investor Services Pty  
Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia
  - **By Facsimile:**  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555
  - **Custodian voting:** For Intermediary Online subscribers only (custodians) please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions
  - **For all enquiries call:**  
(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

### Shareholders who are entitled to vote

In accordance with regulation 7.11.37 and 7.11.38 of the Corporations Regulations, the Board has determined that a person's entitlement to vote at the General Meeting will be the entitlement of that person set out in the Register of Shareholders as at **10:00 am (WST) on 26 July 2020**.

# Rox Resources Limited

ABN 53 107 202 602

## Explanatory Memorandum

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of General Meeting of the Company.

Certain abbreviations and other defined terms are used throughout this Explanatory Memorandum. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to the Explanatory Memorandum.

## Resolution 1 – Ratification of prior issue of Shares under Placement

### Background

On 27 May 2020, the Company announced that it had received binding commitments to raise approximately \$8.74 million (before costs) via the issue of 364,486,792 Shares to sophisticated and professional investors pursuant to section 708 of the Corporations Act at an issue price of \$0.024 per Share (**Placement**). 218,692,069 Shares under the Placement were issued pursuant to the Company's 15% placement capacity under ASX Listing Rule 7.1 and 145,794,723 Shares under the Placement were issued pursuant to the Company's 10% placement capacity under ASX Listing Rule 7.1A.

Funds raised under the Placement will allow Rox to exercise its option to acquire an additional 20% interest in the Youanmi Gold Project, to fund exploration expenditure on both the Youanmi Gold Project and its Fisher East and Collurabbie Nickel projects and for working capital as well as to pay the costs of the capital raising. The Placement was lead managed by Taylor Collison Limited ACN 008 172 450 AFSL Number 247083 and Canaccord Genuity (Australia) Limited ACN 075 071 466 AFSL Number 234666 (**Joint Lead Managers**).

### ASX Listing Rules 7.1, 7.1A and 7.4

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue, without approval of its shareholders, more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid a number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1.

Where an eligible entity obtains shareholder approval to increase its placement capacity under Listing Rule 7.1A then any ordinary securities issued under that additional placement capacity:

- (a) will not be counted in variable "A" in the formula in Listing Rule 7.1A; and
- (b) are counted in variable "E",

until their issue has been ratified under Listing Rule 7.4 (and provided that the previous issue did not breach Listing Rule 7.1A) or 12 months has passed since their issue.

As the issue of Shares under the Placement, does not fall within any of the specified exceptions to ASX Listing Rule 7.1 and has not yet been approved by Shareholders, it effectively uses up part of the Company's 15% placement capacity under ASX Listing Rule 7.1 and 10% placement capacity under ASX Listing Rule 7.1A (as applicable), reducing the Company's capacity to issue further equity securities without Shareholder approval over the 12 month period following the date of issue of those Shares.

Under ASX Listing Rule 7.4, if a company's shareholders approve an issue of equity securities after it has been made or agreed to be made, that issue or agreement to issue equity securities is treated as having been made with Shareholder approval for the purposes of ASX Listing Rule 7.1 (provided that the issue or agreement did not breach ASX Listing Rule 7.1).

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under ASX Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Shares under the Placement, the subject of Resolution 1.

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of Shares under the Placement.

### **Technical information required by ASX Listing Rule 14.1A**

If Resolution 1 is not passed, the Shares will be included in calculating the Company's 15% placement capacity under Listing Rule 7.1 and its 10% placement capacity under Listing Rule 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Shares.

If Resolution 1 is passed, the base figure (i.e. variable "A") in which the Company's 15% placement capacity under ASX Listing Rule 7.1 and its 10% placement capacity under ASX Listing Rule 7.1A is calculated will be a higher number which in turn will allow a proportionately higher number of equity securities to be issued by the Company without prior Shareholder approval.

### **Technical information required by ASX Listing Rule 7.5**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 1:

- (a) the Shares were issued to professional, sophisticated and other exempt investors pursuant to section 708 of the Corporations Act. The recipients were identified through a bookbuild process, which involved the Joint Lead Managers seeking expressions of interest to participate in the capital raising from non-related parties of the Company. None of the recipients are related parties of the Company;
- (b) 218,692,069 Shares under the Placement were issued pursuant to the Company's 15% placement capacity under ASX Listing Rule 7.1 and 145,794,723 Shares under the Placement were issued pursuant to the Company's 10% placement capacity under ASX Listing Rule 7.1A;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued on 3 June 2020;
- (e) the issue price was \$0.024 per Share;
- (f) the purpose of the issue was to raise approximately \$8.74 million (before costs), which will be applied to allow Rox to exercise its option to acquire an additional 20% interest in the Youanmi Gold Project, to fund exploration expenditure on both the Youanmi Gold Project and its Fisher East and Collurabbie Nickel projects and for working capital as well as to pay the costs of the capital raising;
- (g) the Shares were not issued under an agreement; and
- (h) a voting exclusion statement is included in Resolution 1 of this Notice.

### **Board Recommendation**

The Board unanimously recommends that Shareholders vote in favour of Resolution 1.

## **Resolution 2 – Approval for the issue of Shares to Venus**

Resolution 2 seeks Shareholder approval for the issue of 41,666,667 Shares to Venus Metals Corporation Limited (**Venus**), pursuant to ASX Listing Rule 7.1, being an interest of 2.05% in the Company (assuming no options in the Company are exercised). The issue of Shares to Venus is required as part of the Additional Interest Consideration payable by Rox to Venus for the increase in Rox's ownership of the Youanmi Gold Project from 50% to 70%.

### **ASX Listing Rules 7.1**

As mentioned above, ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue, without approval of its shareholders, more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Shareholder approval is required under ASX Listing Rule 7.1 as the Company does not have sufficient placement capacity to issue the Shares to Venus without shareholder approval.

### Technical information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the proposed issue of Shares to Venus under Resolution 2:

- (a) the maximum number of Shares to be issued is 41,666,667;
- (b) the Shares will be issued to Venus Metals Corporation Limited, who is not a related party of the Company;
- (c) the Shares will be issued within 2 Business Day of the date of the Meeting;
- (d) the Shares are being issued as part of the consideration for the increase in Rox's ownership of the Youanmi Gold Project from 50% to 70% at a deemed issue price of \$0.024 per Share;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) no funds will be raised for the issue of Shares, as they are being issued as consideration for the increase in Rox's ownership of the Youanmi Gold Project;
- (g) As announced on 10 April 2019, the Company entered into a binding term sheet with Venus to acquire an initial; 50% interest in the Youanmi Gold Project with the ability to increase to a 70% interest (**Term Sheet**). The material terms of the Term Sheet are summarised below:
  - i. (**Completion of acquisition of initial interest**) Rox initially acquired its 50% interest on 21 June 2019 by providing funding of \$2.8 million (which was applied to the cash component of Venus' option to acquire the tenements the subject of the Youanmi Gold Project) as well as \$0.2 million worth of Shares at a deemed issue price of \$0.008 (25 million Shares);
  - ii. (**Option**) Under the Term Sheet Rox was also required to meet exploration expenditure of \$2 million over 2 years (to June 2021) and to cover the costs of holding and managing the project. After meeting this commitment and at any point until June 2021 Rox was granted the right to elect to increase its ownership in the Youanmi Gold Project to 70%. As announced on 11 June 2020 this \$2 million has been met and Rox has provided Venus with notice of its election to exercise this option (**Exercise Notice**).
  - iii. (**Additional Interest Consideration**) Consideration for the acquisition of the additional 20% interest in the Youanmi Gold Project of:
    - \$2 million cash is payable to Venus within 2 Business Days of Rox delivering its Exercise Notice. This was paid by Rox on 10 June 2020; and
    - Shares equal to \$1 million divided by a deemed issue price of \$0.024 (being 41,666,667 Rox Shares) within 2 Business Days of the date of the Meeting. If shareholder approval for Resolution 2 is not obtained at the Meeting or where Rox is unable to hold the Meeting within 60 days of the Exercise Notice Rox must pay Venus \$1 million in cash within 2 Business Days of the date of the Meeting or the expiry of the 60 day period (as applicable);
  - iv. (**Manager**) Rox is the manager of the Joint Venture for the Youanmi Gold Project;
  - v. (**Management Committee**) Each party is entitled to appoint 2 representatives to the management committee of the joint venture with each representative having one vote. All matters at meetings of the management committee will be decided by a majority of votes with the Chairperson having a casting vote in the event of a deadlock. A representative appointed by the party acting as Manager will be appointed as Chairperson;

vi. **(Loan)** Joint Venture costs are to be contributed in proportion to ownership although if Venus elects it can require Rox to fund its 30% of costs by way of a loan secured over Venus' interests in the Youanmi Gold Project. On 11 June 2020 Venus made such election;

vii. The Term Sheet otherwise contains terms and conditions standard for an agreement of its nature; and

(h) a voting exclusion statement is included in Resolution 2 of this Notice.

#### **Technical information required by ASX Listing Rule 14.1A**

If Resolution 2 is passed, then the Company will be able to proceed with the issue of 41,666,667 Shares to Venus and the exercise of its option to increase Rox's ownership of the Youanmi Gold Project from 50% to 70%.

If Resolution 2 is not passed, then the Company will not be able to proceed with the issue of Shares to Venus and will be required to pay Venus \$1 million cash within 2 Business Days of the date of this Meeting in order to increase its ownership of the Youanmi Gold Project from 50% to 70%.

#### **Board Recommendation**

The Board unanimous recommends that Shareholders vote in favour of Resolution 2.

## Glossary

**\$** means Australian dollars.

**Associate** has the meaning given in the Listing Rules.

**ASX** means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

**Board** means the current board of Directors.

**Chairman** means the individual elected to chair any meeting of the Company from time to time.

**Company** or **Rox** means Rox Resources Limited ABN 53 107 202 602.

**Constitution** means the Company's constitution, as amended from time to time.

**Corporations Act** means *Corporations Act 2001* (Cth).

**Directors** means the current directors of the Company.

**Explanatory Memorandum** means the explanatory memorandum accompanying this Notice.

**Joint Lead Managers** has the meaning set out on page 5 of the Explanatory Memorandum.

**Listing Rules** means the ASX Listing Rules.

**Meeting** means the General Meeting convened by the Notice.

**Notice** means this Notice of General Meeting.

**Resolution** means a resolution contained in the Notice.

**Shareholder** means a member of the Company from time to time.

**Shares** means fully paid ordinary shares in the capital of the Company.

**Venus** means Venus Metals Corporation Limited.

**WST** means Australian Western Standard time.