



Quarterly Report

For the period ended 30 June 2006

HIGHLIGHTS

Pha Luang Project, Laos

- **Discovery of lead-zinc sulphides at the Nam Yen prospect, with RC drill intercepts including 33 metres at 11.4% lead+zinc, 27 metres at 10.5% lead+zinc and 19 metres at 8.6% lead+zinc.**
- **A large secondary blanket of oxide mineralisation discovered at the Bon Noi prospect with up to 9 metres at 8.3% lead+zinc in drilling.**

Corporate

- **Capital raising of \$5.3 million completed at an average price of \$0.40 per share.**

PHA LUANG LEAD-ZINC PROJECT, LAOS

The quarter has been very successful, with the discovery of lead-zinc sulphide mineralisation in drilling at the Nam Yen prospect over an area of 200 x 70 metres, up to 30 metres thick, and importantly still open in all directions.

These drill results, together with the large number of other prospects still to be tested over the project area, leads Rox to believe that it has discovered a new district of Mississippi Valley Type (MVT) lead-zinc deposits. Such districts commonly contain many millions of tonnes of ore, with examples being the Lennard Shelf in NW Australia (40 Mt) and the Tennessee Valley in the USA (100 Mt).

The galena, sphalerite, pyrite and barite mineralisation in limestone breccias that has been discovered is typical of MVT deposits, with thick high-grade drill intercepts such as 33 metres grading 11.4% Pb+Zn, 19 g/t Ag indicating potential for large tonnages (Figures 1 & 2). MVT deposits typically average between 7.5% and 8.5% Pb+Zn. Mineralisation is also relatively shallow and flat lying.

Rox has also defined five major soil anomalies greater than 2% Pb+Zn to date (Figure 3) and a further 12 known occurrences of outcropping mineralisation have yet to be mapped and soil sampled (Figure 4). Rock outcrops grade up to 50% Zn, 60% Pb and 480 g/t Ag, and Pb and Zn values in soils grade over 20% in places. Given the success of testing one of these soil anomalies at Nam Yen, the company's confidence in the project to host more sulphide deposits is well-founded.

By the end of June some 1,360 metres of RC drilling and 360 metres of diamond drilling had been completed at Nam Yen. Results of three recently completed diamond drill holes at Nam Yen (holes 39 - 41) are awaited, and these holes contained visible lead and zinc sulphides.

Drilling at the Bon Noi prospect discovered an extensive blanket of secondary Pb-Zn mineralisation. Intersections included 9 metres grading 6.9% Zn, 1.4% Pb and 25 g/t Ag in hole PLR034. Individual assays values at Bon Noi were recorded up to **3.8% Pb, 22.0% Zn and 73 g/t Ag**.

The high-grade soil anomalies can be displaced from their primary source because of the steep and incised terrain. This suggests that the initial RC drilling at Bon Noi is very proximal to the sulphide mineralisation source.

To the south of Bon Noi a new large 500 x 300 metre lead-zinc soil anomaly with high-grade mineralisation was delineated within the Switchback prospect. Values from soil samples taken from the Switchback anomaly were exceptionally high, ranging up to **5.5% Pb, 14.4% Zn and 71 ppm Ag**. Recent drilling at Switchback (Figure 3) comprised two diamond holes and assays are awaited.

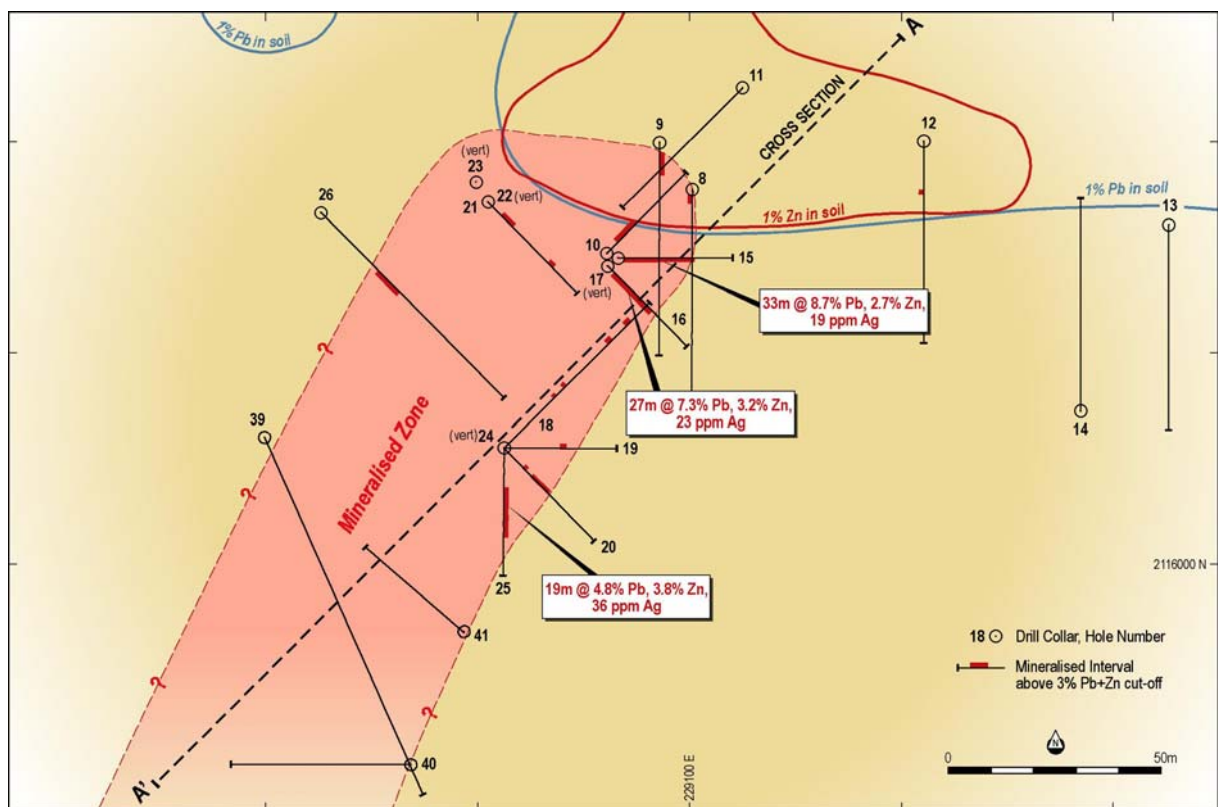


Figure 1: Nam Yen RC Drill Plan and Soil Contours

SOUTH AFRICA - DIAMONDS

The company has sought expressions of interest for the South African diamond projects.

CORPORATE

Dr Alistair Cowden, the Company's Chairman, recently announced his intention to focus on a full-time role as Managing Director of Vulcan Resources Limited and as a consequence will resign all other directorships.

A date for Dr Cowden's departure from the Rox Board has not yet been determined, however a suitable replacement is being sought and the Company is confident an orderly handover of the Chair will be achieved.

FINANCIAL

After completion of the second tranche of the recent share placement in early July, Rox will have 56,357,333 shares and 12,550,000 unlisted options on issue together with cash of \$5.7 million. Settlement of the \$1.2 million Menzies project sale is expected during August 2006.

Dated this 31st day of July 2006.

Signed on behalf of the Board of Rox Resources Limited.



IAN MULHOLLAND
Managing Director

FOR FURTHER INFORMATION CONTACT:

Ian Mulholland, Managing Director
Tel: (08) 9486 4537

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Ian Mulholland BSc (Hons), MSc, FAusIMM, FAIG, FSEG, 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 Edition 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.

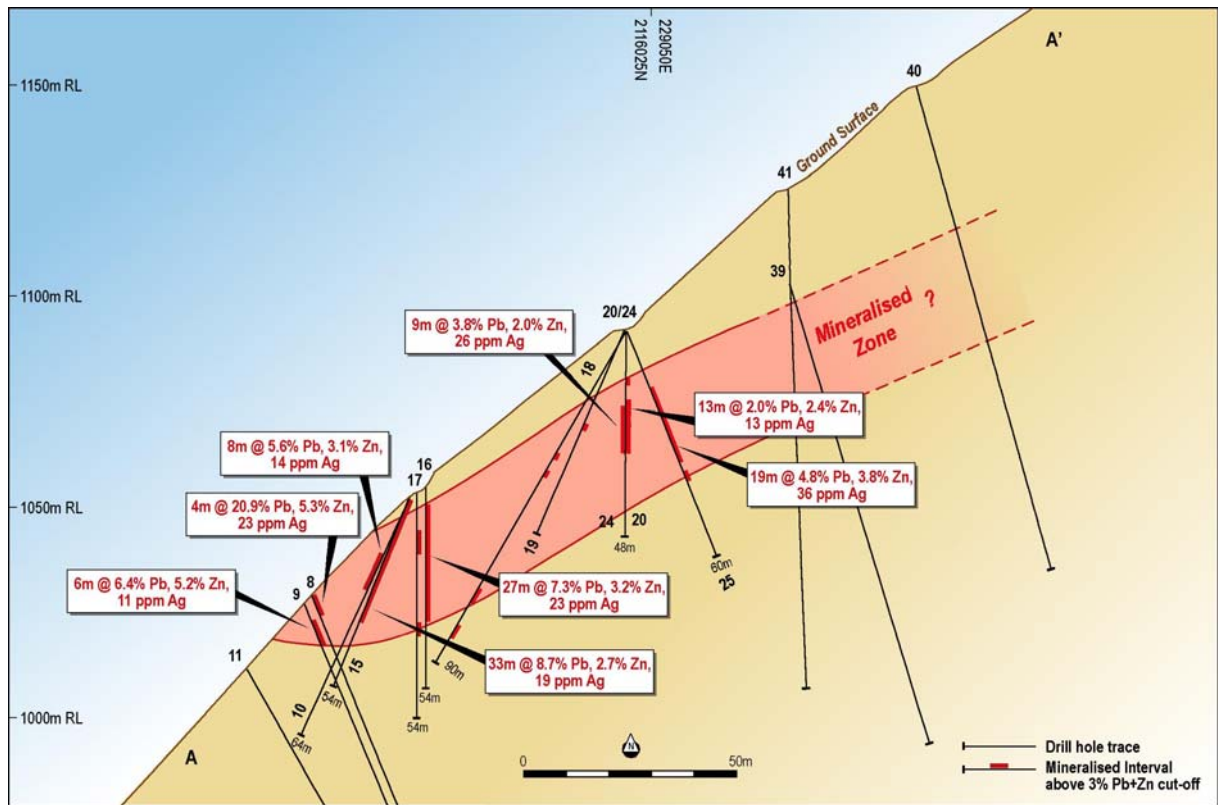


Figure 2: Nam Yen RC Drill Cross Section

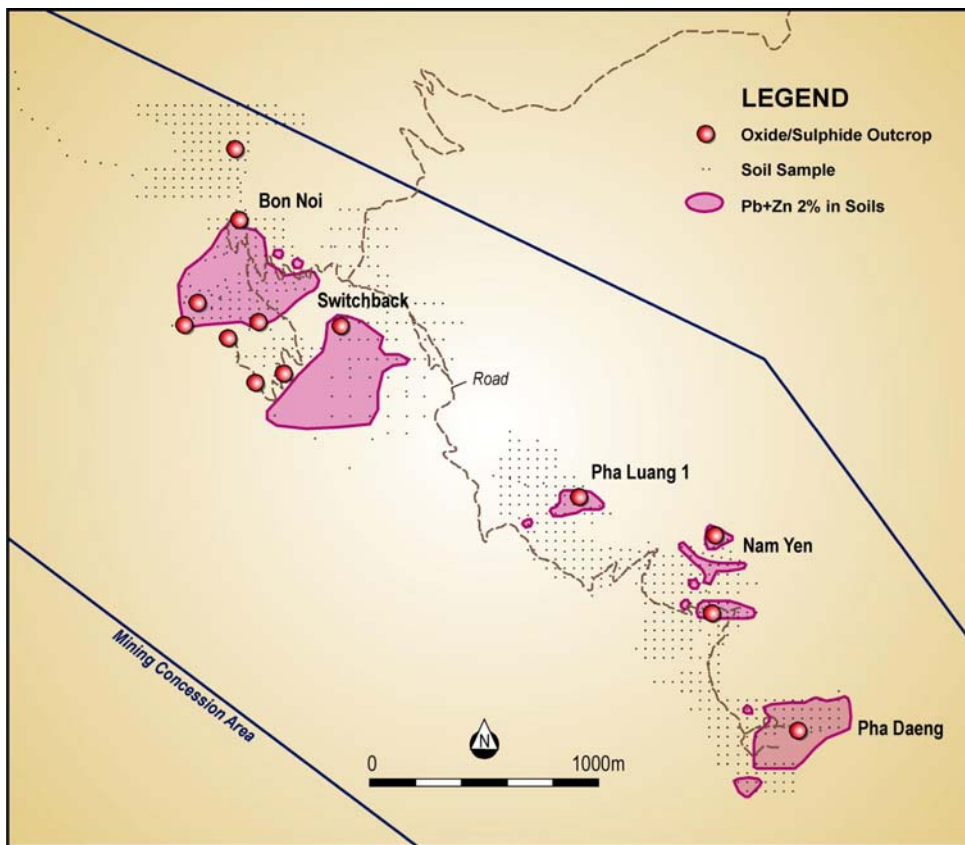


Figure 3: Pha Luang Project, showing soil anomalies at Bon Noi, Switchback, Pha Luang 1, Nam Yen and Pha Daeng

Nam Yen Drill Results

HOLE NUMBER	FROM	TO	INTERVAL	Pb %	Zn %	Ag ppm	Pb+Zn %*
PLR008	0	4	4	20.9	5.3	23	26.2
PLR009	4	16	12	4.7	3.6	9.4	8.3
<i>incl.</i>	4	10	6	6.4	5.2	11	11.6
PLR010	10	24	14	4.0	2.6	9.9	6.6
<i>incl.</i>	16	24	8	5.6	3.1	14	8.7
PLR011	NSR						
PLR012	23	25	2	0.04	3.2	4.8	3.3
PLR013	NSR						
PLR014	NSR						
PLR015	4	37	33	8.7	2.7	19	11.4
<i>incl.</i>	10	35	25	11.0	3.1	24	14.1
PLR016	3	30	27	7.3	3.2	23	10.5
PLR017	7	15	8	2.6	2.2	6	4.8
<i>incl.</i>	10	15	5	3.5	2.8	8	6.3
	31	34	3	1.3	1.9	5	3.2
PLR018	39	41	2	2.8	0.5	13	3.3
	69	73	4	2.4	1.9	10	4.3
	80	84	4	1.7	1.6	9	3.3
PLR019	26	26	2	2.0	3.6	2	5.6
PLR020	12	14	2	1.5	5.1	19	6.6
	19	32	13	2.0	2.4	13	4.4
PLR021	8	17	9	2.2	2.7	8	4.9
<i>incl.</i>	9	14	5	3.2	3.7	11	6.9
	39	42	3	1.5	2.5	9	4.0
PLR022**	17	19	2	1.7	3.0	8	4.7
PLR023	46	49	3	3.3	3.5	20	6.8
	55	60#	5	2.9	4.9	17	7.8
PLR024	19	28	9	3.8	2.0	26	5.8
PLR025	17	36	19	4.8	3.8	36	8.6
	39	41	2	4.9	4.7	32	9.6
PLR026	31	42	11	1.5	3.1	10	4.6

* Above 3% Pb+Zn cut-off
** Hole abandoned at 21m
End of hole

Bon Noi RC Drilling Results

HOLE NUMBER	FROM	TO	INTERVAL	Pb %	Zn %	Ag g/t	Pb+Zn %
PLR027	0	4	4	1.7	3.7	13	5.4
PLR028	No Significant Results						
PLR029	2*	4	2	3.6	2.2	61	5.8
	14	16	2	0.7	2.6	20	3.3
	21	24	3	0.6	2.3	14	2.9
PLR030	2*	6	4	2.5	1.6	4	4.1
PLR031	No Significant Results						
PLR032	No Significant Results						
PLR033	No Significant Results						
PLR034	3	12	9	1.4	6.9	25	8.3
PLR035	No Significant Results						
PLR036	No Significant Results						

Above 3% Pb+Zn cut-off
 *Interval 0-2m not sampled.

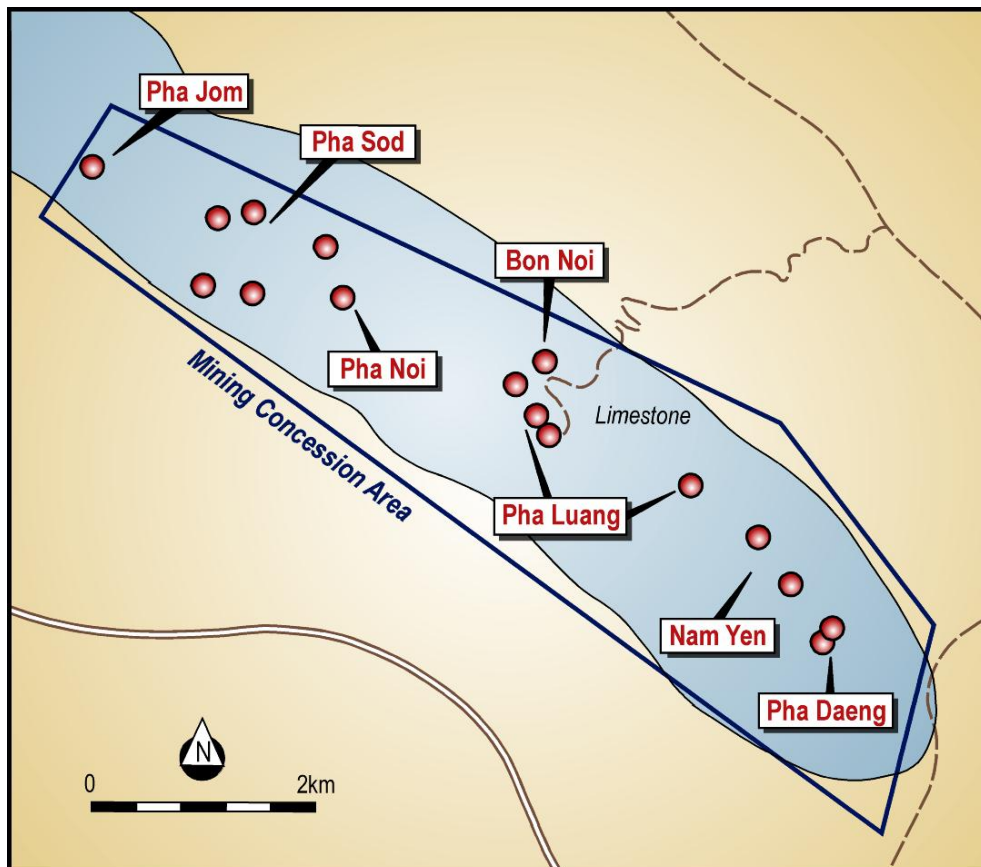


Figure 4: Pha Luang Project, Prospect Locations

APPENDIX 5B
Mining Exploration Entity Quarterly Report

Name of entity

ROX RESOURCES LIMITED

ACN or ARBN

107 202 602

Quarter ended ("current quarter")

June 2006

Consolidated statement of cash flows

	Current Quarter A\$'000	Year to Date (12 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for: (a) exploration and evaluation	(419)	(1,511)
(b) development	-	-
(c) production	-	-
(d) administration	(279)	(843)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	26	89
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other - Security bonds	-	-
Net Operating Cash Flows	(672)	(2,265)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(3)	(3)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other	-	-
Net investing cash flows	(3)	(3)
1.13 Total operating and investing cash flows (carried forward)	(675)	(2,268)

1.13 Total operating and investing cash flows (brought forward)	(675)	(2,268)
Cash flows related to financing activities		
1.14 Proceeds from issues of shares (net of costs)	3,736	4,671
1.15 Proceeds from sale of forfeited shares	-	-
1.16 Proceeds from borrowings	-	-
1.17 Repayment of borrowings	-	-
1.18 Dividends paid	-	-
1.19 Other	-	-
Net financing cash flows	3,736	4,671
Net increase (decrease) in cash held		
1.20 Cash at beginning of quarter/year to date	1,233	1,891
1.21 Exchange rate adjustments to 1.20	-	-
1.22 Cash at end of quarter	4,294	4,294

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	85
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

N/A

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	414
4.2 Development	-
Total	414

Reconciliation Of Cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	3,378	328
5.2 Deposits at call	916	905
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	4,294	1,233

Changes in interests in mining tenements

No changes during the quarter. See attached Schedule A for list of tenements.

Issued and quoted securities at end of current quarter

	Total number	Number quoted	Issue price per security (cents)	Amount paid up per security (cents)
7.1 Preference securities <i>(description)</i>	-			
7.2 Changes during quarter	-			
7.3 Ordinary securities	49,442,000	49,442,000		
7.4 Changes during quarter - Issued	6,400,000	6,400,000	\$0.45	\$0.45
7.5 Convertible debt securities <i>(description and conversion factor)</i>	-			
7.6 Changes during quarter	-			
7.7 Options <i>(description and conversion factor)</i>	5,250,000	Nil	<i>Exercise Price</i> \$0.20	<i>Expires</i> 31 January 2009
	800,000	Nil	\$0.20	30 April 2007
	4,000,000	Nil	\$0.20	30 June 2007
7.8 Issued during quarter	-			
7.9 Exercised during quarter				
7.10 Expired during quarter	-			
7.11 Debentures <i>(totals only)</i>	-			
7.12 Unsecured notes <i>(totals only)</i>	-			

Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX.
2. This statement does give a true and fair view of the matters disclosed.

Sign here:



Date: 31 July 2006

Company Secretary

Print Name: Brett Dickson

SCHEDULE A

Interests in mining tenements relinquished, reduced or lapsed during the quarter

Nil

Interests in mining tenements held

Tenement Reference	Nature of Interest	Interest at beginning of quarter	Interest at end of quarter
M29/14	Owned	100%	100%
M29/88	Owned	100%	100%
M29/153	Owned	100%	100%
M29/154	Owned	100%	100%
M29/184	Owned	100%	100%
M29/212	Owned	100%	100%
MLA29/223	Owned	100%	100%
MLA29/225	Owned	100%	100%
L29/41	Owned	100%	100%
L29/42	Owned	100%	100%
L29/43	Owned	100%	100%
L29/44	Owned	100%	100%
L29/58	Owned	100%	100%

Glossary

M	Mining Lease
MLA	Mining Lease Application
L	Miscellaneous Licence