

## Quarterly Report

For the period ended 30 June 2007

### HIGHLIGHTS

#### Pha Luang Zinc-Lead Project, Laos

- **Strong and discrete Induced Polarisation (IP) chargeability anomalies delineated at the Nam Yen and Bon Noi prospects,**
- **Partial IP anomalies identified at the Pha Sod prospect needing further definition.**
- **RC drilling of pre-collars of deep holes to test IP anomalies completed at Nam Yen and Bon Noi.**
- **Diamond core drill testing of strong discrete IP anomalies commenced in late June.**
- **Soil sampling continued to outline new significant geochemical anomalies.**
- **Results from RC drilling at the Pha Sod prospect included:**
  - PLR082: 9 metres grading 1.71% Zn from 44 metres, and  
1 metre grading 5.34% Zn from 60 metres
  - PLR085: 12 metres grading 2.24% Zn from 64 metres
  - PLR086: 12 metres grading 2.24% Zn from 100 metres  
*including 4 metres grading 3.60% Zn from 100 metres*

#### PHA LUANG ZINC-LEAD PROJECT, LAOS

A major break through for Rox occurred during the June quarter with the identification of a number of significant IP chargeability anomalies at the Nam Yen and Bon Noi prospects. These IP chargeability anomalies could represent accumulations of sulphides at depth. None of Rox's current, relatively shallow drilling has penetrated any of the IP anomalies, which lie at depths between 150 and 500 metres below surface.

At Nam Yen, two strong IP chargeability anomalies have been delineated lying 200 metres and 300 metres below surface. At Bon Noi the three IP anomalies are stronger than the Nam Yen anomalies and lie at between 150 metres and 500 metres depth in geologically sound locations.

Partial IP anomalies have also been defined at Pha Sod, but the IP survey will need to be extended to better define these anomalies before further drilling.

A second phase of RC drilling commenced on 31 March 2007, with a total of 15 holes (PLR080 to 094) drilled for 2,120 metres at the Pha Sod, Bon Noi and Nam Yen prospects

during the quarter. Of these, holes PLR087 to 094 were drilled at Bon Noi and Nam Yen as pre-collars for deeper diamond holes to test the IP anomalies.

Diamond core drilling commenced at Bon Noi in late June and the first hole is almost complete. Progress has been slower than expected due to the annual Laos wet season, which runs from May to September each year. A number of drilling days have been lost due to the inability to access the rig site because of potentially dangerous road conditions. Rox is bringing in a second diamond core drilling rig in the next week to help speed up the drilling program. So far the wet season has been relatively light, but if it intensifies it is possible that due to safety concerns drilling may have to be suspended.

Soil sampling continued to define new anomalies, such as the Lokh Sai Haai and Rox Camp prospects. Further sampling to properly define these will be undertaken during the next field season.

With the onset of the Laos wet season, field operations have been scaled back to just the diamond core drilling.

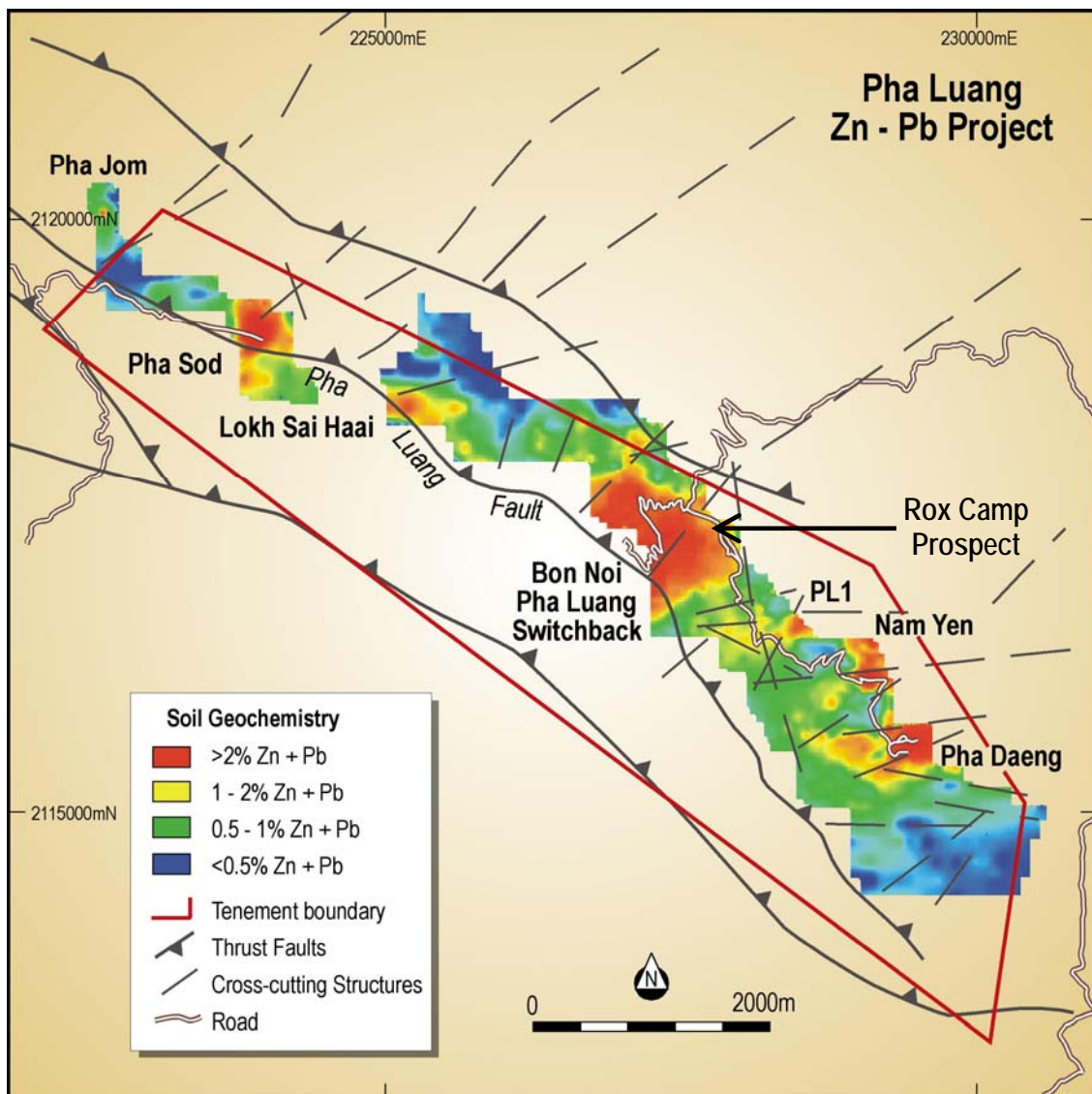


Figure 1: Prospect Location and Soil Sampling Plan

## Pha Sod

### Drilling

Drilling at the Pha Sod prospect has continued to intersect wide intercepts of very fine-grained zinc sulphide (Figure 2). During the quarter 7 holes (PLR080 - 086) were completed for 840 metres. Best results were:

- PLR082: 9 metres grading 1.71% Zn from 44 metres, and  
1 metre grading 5.34% Zn from 60 metres
- PLR085: 12 metres grading 2.24% Zn from 64 metres
- PLR086: 12 metres grading 2.24% Zn from 100 metres  
*including 4 metres grading 3.60% Zn from 100 metres*

It is believed these intercepts represent the low grade halo adjacent to a more massive zone of mineralisation, which is represented by strong surface geochemistry and outcropping massive sulphides.

### IP Survey

An IP survey was completed over the prospect area, but was limited in its coverage to the north under the area of strongest surface geochemistry because of steep terrain. Analysis of processed data shows that IP chargeability was increasing at the northern end of the lines, and the survey will need to be extended north in order to better define the anomaly. The partially defined anomalies lie at 150-200 metres below surface. None of the holes drilled to date are deep enough to intersect the IP anomalies.

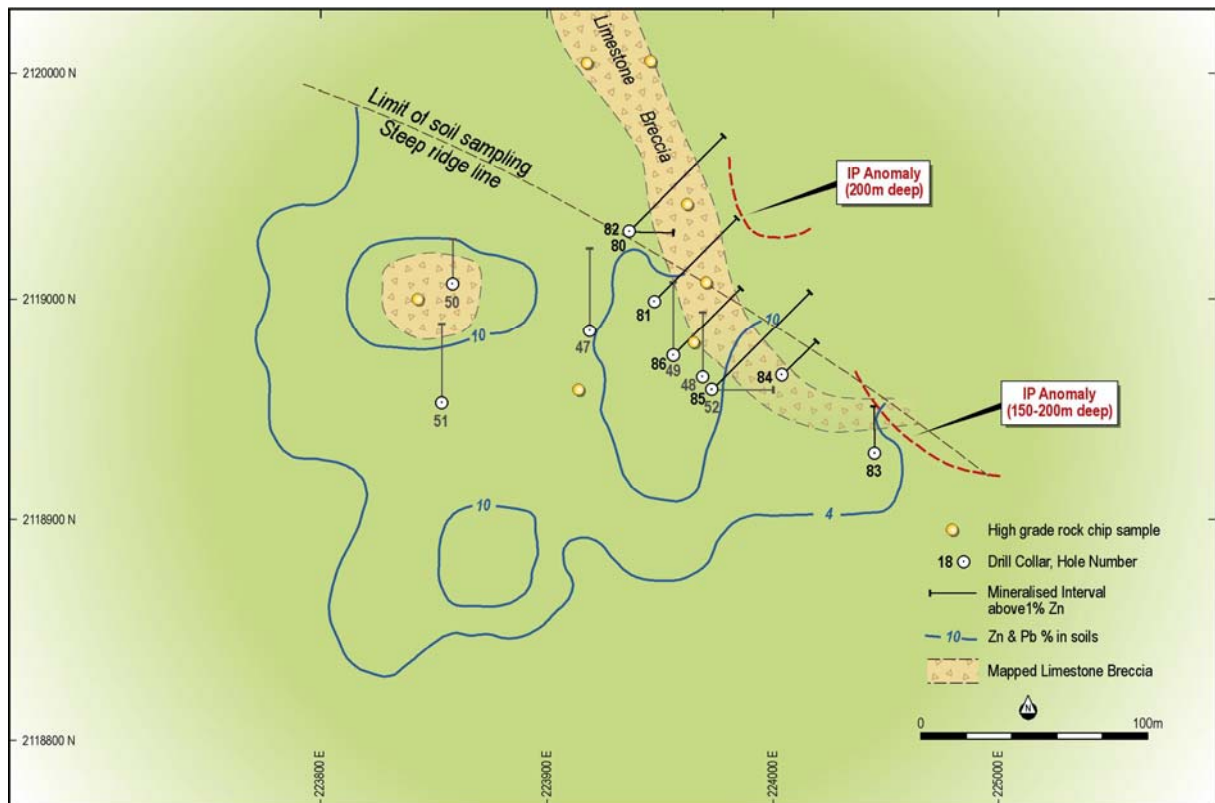


Figure 2: Pha Sod Drill, Soil Sample Contour, Rock Chip sampling and IP anomaly plan

## **Bon Noi**

### ***Drilling***

RC drilling of 6 holes at Bon Noi (PLR087 - 092) for 960 metres was completed. These holes were all drilled as pre-collars for deeper diamond holes to test the IP anomalies.

Results from the drilling were:

PLR087	0 - 4 metres	1.15% Zn	1.66% Pb	3.4 ppm Ag	Oxide
	127 - 128 m	1.30% Zn	0.03% Pb	7.3 ppm Ag	Sulphide
PLR088	0 - 4 metres	1.41% Zn	1.65% Pb	4.6 ppm Ag	Oxide
PLR089	No Significant Results				
PLR090	No Significant Results				
PLR091	0 - 4 metres	1.46% Zn	0.27% Pb	2.2 ppm Ag	Oxide
PLR092	0 - 8 metres	1.39% Zn	0.62% Pb	1.7 ppm Ag	Oxide

Diamond core drilling commenced in hole PLR088 (now re-named PLRD088) in late June.

### ***IP Survey***

Of the three strong discrete IP chargeability anomalies present at Bon Noi, termed BN1, BN2 and BN3, hole PLRD008 is currently testing the largest and deepest IP anomaly, BN3 (Figure 3).

None of the IP anomalies has been effectively tested by previous drilling which was based on soil geochemistry. Access for drilling each of the anomalies is possible using existing access tracks.

Three or four deep diamond drill holes, each of 500-600 metres depth (with RC pre-collar) are planned to test these strong IP anomalies, with hole PLRD091 the next one after PLRD088 scheduled to be drilled.

## **Nam Yen**

### ***Drilling***

Two RC holes (PLR093 - 094) were completed at Nam Yen. These holes will serve as pre-collars for deeper diamond core holes to test IP anomalies at Nam Yen.

### ***IP Survey***

The IP survey defined two strong discrete IP chargeability anomalies which exist below the known mineralisation. Neither of these anomalies has been tested by the drilling conducted by Rox to date. Access for drill testing is available from existing tracks.

## **Regional**

Regional soil sampling on an approximate 80 x 160 metre spacing has continued. Results are shown on Figure 1. New soil anomalies at Lokh Sai Haai and Rox Camp were delineated during the quarter, and will be better defined by sampling during the next field season.

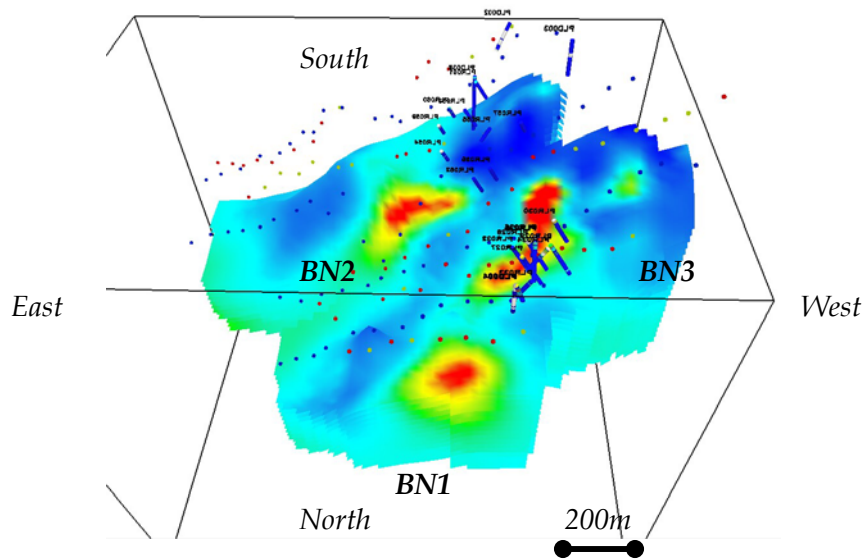


Figure 3: Bon Noi IP Chargeability Results -165 BGL. Perspective view looking south. Existing drilling shown. E-W extent 1,200 metres, and N-S extent 700 metres.

### **Work Plans**

Diamond core drilling is planned throughout the September quarter (weather and access dependent) to test the IP anomalies at Bon Noi and Nam Yen. Initially five holes, each of 500 – 600 metres depth, will be drilled to test each of the five strongest IP anomalies. This drilling is expected to take approximately 3 months to complete.

### **FINANCIAL**

At the end of the June 2007 quarter Rox had 57,875,333 shares (following the exercise of 1,100,000 options) and 10,300,000 unlisted options on issue; with cash of \$3.9 million.

Dated this 30th day of July 2007.

Signed on behalf of the Board of Rox Resources Limited.



**IAN MULHOLLAND**  
**Managing Director**

**FOR FURTHER INFORMATION CONTACT:**

Ian Mulholland, Managing Director  
Tel: (08) 6380 2966

*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.*

Table 1: Details of RC Drill Holes Completed During the June 2007 Quarter

Hole Number	Prospect	Easting (WGS84)	Northing (WGS84)	RL	Dip	Azimuth (Mag)	Total Depth	MINERALISATION			Zn	Pb	Ag
								From	To	Interval	%	%	ppm
PLR080	Pha Sod	223937	2119027	1435	-60°	045°	120	36	41	5	1.25	0.03	4.5
								44	52	8*	1.34	0.03	5.2
PLR081	Pha Sod	223948	2118997	1412	-60°	045°	120	0	8	8*	1.46	0.19	7.2
								71	72	1	1.19	0.01	3.0
								79	80	1	1.66	0.01	6.6
PLR082	Pha Sod	223937	2119027	1435	-80°	090°	120	32	40	8*	1.52	0.03	5.4
								44	53	9	1.71	0.05	5.6
								59	64	5	1.78	0.01	4.6
								<i>incl.</i> 60	61	1	5.34	0.01	11.5
PLR083	Pha Sod	224044	2118929	1416	-60°	000°	120	5	6	1	1.32	1.51	11.3
								40	42	2	1.42	0.01	3.7
								48	60	12*	1.83	0.12	11.8
								105	106	1	1.60	0.01	4.3
PLR084	Pha Sod	224004	2118964	1422	-80°	045°	120	0	20	20*	1.33	0.29	8.1
								25	34	9	1.18	0.10	6.1
								48	52	4*	1.10	0.03	5.0
								88	96	8*	1.70	0.06	6.2
PLR085	Pha Sod	223975	2118959	1406	-60°	045°	120	0	16	16*	1.39	0.34	7.5
								28	32	4*	1.40	0.24	4.4
								64	76	12*	2.24	0.11	14.6
								84	88	4*	1.19	0.01	6.4
PLR086	Pha Sod	223957	2118974	1409	-70°	045°	120	0	18	18	1.94	0.63	12.8
								44	48	4*	1.20	0.01	4.7
								84	88	4*	1.71	0.07	6.8
								100	112	12*	2.24	0.13	5.8
								<i>incl.</i> 100	104	4*	3.60	0.21	6.5
PLR087	Bon Noi	227068	2117642	1538	-55°	165°	160	0	4	4	1.15	1.66	3.4
								127	128	1	1.30	0.03	7.3
PLR088	Bon Noi	227068	2117642	1538	-60°	210°	160	0	4	4	1.41	1.65	4.6

**ROX RESOURCES LIMITED QUARTERLY REPORT**

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PLR089	Bon Noi	227153	2117666	1480	-60°	180°	160	NSR					
PLR090	Bon Noi	227163	2117535	1472	-55°	240°	160	NSR					
PLR091	Bon Noi	227155	2117800	1474	-55°	060°	160	0	4	4	1.46	0.27	2.2
PLR092	Bon Noi	227330	2117300	1481	-70°	080°	160	0	8	8	1.39	0.62	1.7
PLR093	Nam Yen	228701	2116232	1198	-60°	120°	160	NSR					
PLR094	Nam Yen	229047	2115984	1120	-55°	180°	160	NSR					

*Above a 1% Zn lower cut-off, maximum 1 metre internal dilution*

*\* includes one or more 4 metre composites*

*NSR = No Sample Results above cut-off*

*Intercepts > 50 metre x Pb+Zn % highlighted in bold*

*All assays by ALS Chemex Brisbane, using methods ME-ICP61s and OG62*



**APPENDIX 5B**  
**Mining Exploration Entity Quarterly Report**

Name of entity

**ROX RESOURCES LIMITED**

ACN or ARBN

**107 202 602**

Quarter ended ("current quarter")

**June 2007**

**Consolidated statement of cash flows**

	Current Quarter A\$'000	Year to Date (12 months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for: (a) exploration and evaluation	(551)	(1,950)
(b) development	-	-
(c) production	-	-
(d) administration	(245)	(1,039)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	57	264
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other - Security bonds	-	-
<b>Net Operating Cash Flows</b>	<b>(739)</b>	<b>(2,725)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	(7)
(c) other fixed assets	-	(72)
1.9 Proceeds from sale of: (a) prospects	200	550
(b) equity investments	282	282
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other	30	(2)
<b>Net investing cash flows</b>	<b>512</b>	<b>751</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(227)</b>	<b>(1,974)</b>

1.13 Total operating and investing cash flows (brought forward)	(227)	(1,974)
<b>Cash flows related to financing activities</b>		
1.14 Proceeds from issues of shares (net of costs)	220	1,535
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	-	-
<b>Net financing cash flows</b>	<b>220</b>	<b>1,535</b>
<b>Net increase (decrease) in cash held</b>		
1.20 Cash at beginning of quarter/year to date	3,862	4,294
1.21 Exchange rate adjustments to 1.20	-	-
1.22 <b>Cash at end of quarter</b>	<b>3,855</b>	<b>3,855</b>

**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	78
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
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**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

N/A
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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
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**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	400
4.2 Development	-
<b>Total</b>	400

**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	47	176
5.2 Deposits at call	3,808	3,686
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	3,855	3,862

**Changes in interests in mining tenements**

Nil.

**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 <b>Preference securities</b> <i>(description)</i>	-			
7.2 Changes during quarter	-			
7.3 <b>Ordinary securities</b>	57,875,333	57,875,333		
7.4 Changes during quarter - Issued	1,100,000	1,100,000	20	20
7.5 <b>Convertible debt securities</b> <i>(description and conversion factor)</i>	-			
7.6 Changes during quarter	-			
7.7 <b>Options</b> <i>(description and conversion factor)</i>			<i>Exercise Price</i>	<i>Expires</i>
	5,250,000	Nil	\$0.20	31 January 2009
	2,500,000	Nil	\$0.675	12 July 2009
	1,600,000	Nil	\$0.35	30 Nov 2009
	950,000	Nil	\$0.35	31 May 2010
7.8 Issued during quarter	950,000	Nil	\$0.35	31 May 2010
7.9 Exercised during quarter	1,100,000	Nil	\$0.20	30 April 2007
7.10 Expired during quarter	4,000,000	Nil	\$0.20	30 June 2007
7.11 <b>Debentures</b> <i>(totals only)</i>	-			
7.12 <b>Unsecured notes</b> <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: 30 July 2007

Company Secretary

Print Name: Brett Dickson