

Quarterly Report

For the period ended 30 September 2008

HIGHLIGHTS

- ◆ 38 million tonne Inferred Resource at the Myrtle deposit grading 4.2% Zn, 1.0% Pb, containing 1.6 million tonnes of Zn and 0.4 million tonnes of lead metal.
- ◆ 15 million tonne higher grade core to the above resource grading 5.5% Zn, 1.5% Pb.
- ◆ Option to acquire the Myrtle deposit and surrounding tenement exercised, giving Rox 100% ownership of the project.
- ◆ Open pit potential confirmed at Myrtle with preliminary drilling of a 2km long soil anomaly.
- ◆ Myrtle mineral resource still open and likely to increase significantly in size with further drilling.



Drilling at Myrtle Prospect, Northern Territory, July 2008

MYRTLE ZINC-LEAD PROJECT, AUSTRALIA

Mineral Resource

The Myrtle zinc-lead deposit lies 20km south of the giant McArthur River zinc-lead deposit on the Reward Exploration Licence 10316 in the Northern Territory.

Rox announced a maiden JORC compliant Inferred mineral resource for Myrtle on 7 October 2008 of:

- ◆ **38 million tonnes grading 4.2% Zn, 1.0% Pb, at a 3% Zn + Pb cut-off.**

The mineral resource contains a significant amount of zinc and lead metal (1.6 million tonnes Zn and 0.4 million tonnes Pb) and would rank in the top 10 of deposits of its type in Australia (Table 1 and Figure 1).

At a higher cut-off grade of 5% Zn + Pb the resource contains a higher grade core of:

- ◆ **15 million tonnes grading 5.5% Zn, 1.5% Pb.**

The mineral resource is limited by available drilling (Figures 2 and 3) and should increase significantly in size with further drilling.

With approximately 2 million tonnes of contained zinc and lead, and average September 2008 prices of these metals of AU\$2,119/t and AU\$2,282/t respectively, the Myrtle deposit has a significant in-ground value.

Table 1: Giant Sedex Zinc Deposits in Australia

Deposit	Mt Ore *	Mt Zn + Pb
McArthur River	227	30.4
Mount Isa	150	19.5
Hilton	120	20.3
George Fisher	107	17.7
Century	95	14.1
Dugald River	48	6.8
Cannington	44	7.0
Myrtle	38	2.0
Lady Loretta	14	3.1
Pegmont	9	1.0

* Based on published pre-mining resources as listed in Leach et al, 2000, Economic Geology 100th Anniversary Volume

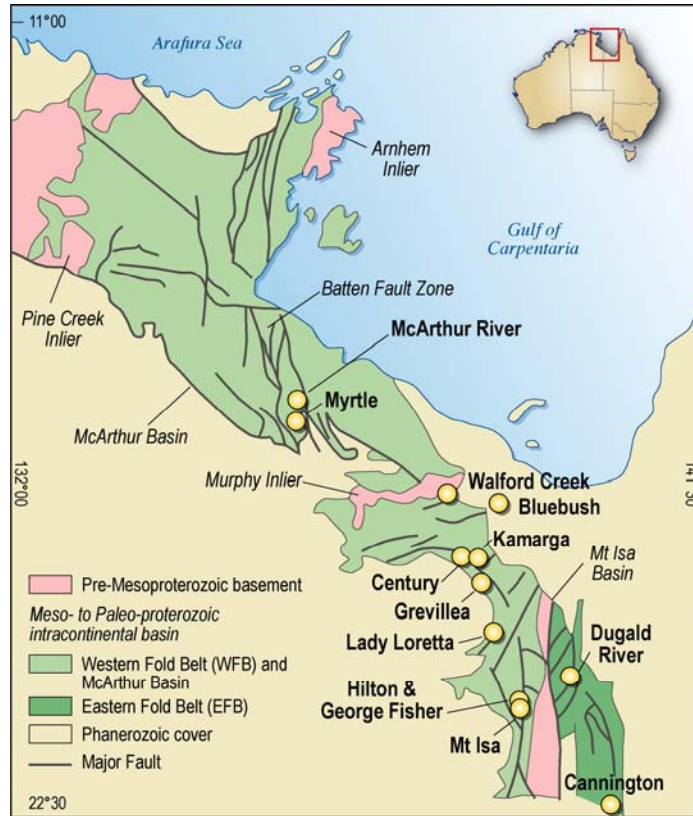


Figure 1: Mount Isa – McArthur Basin Region

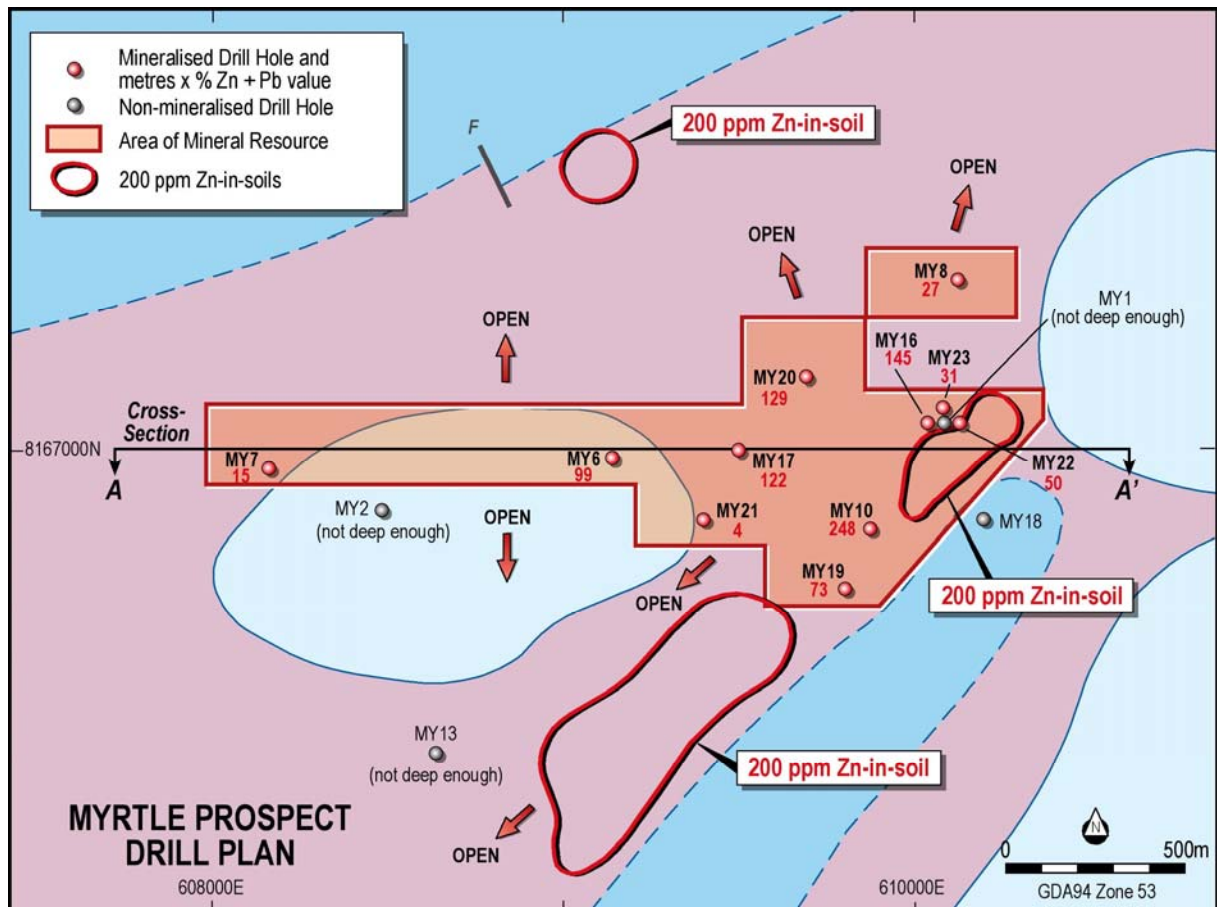


Figure 2: Myrtle Prospect Drill Plan, showing interpreted geology, IP and soil anomalies

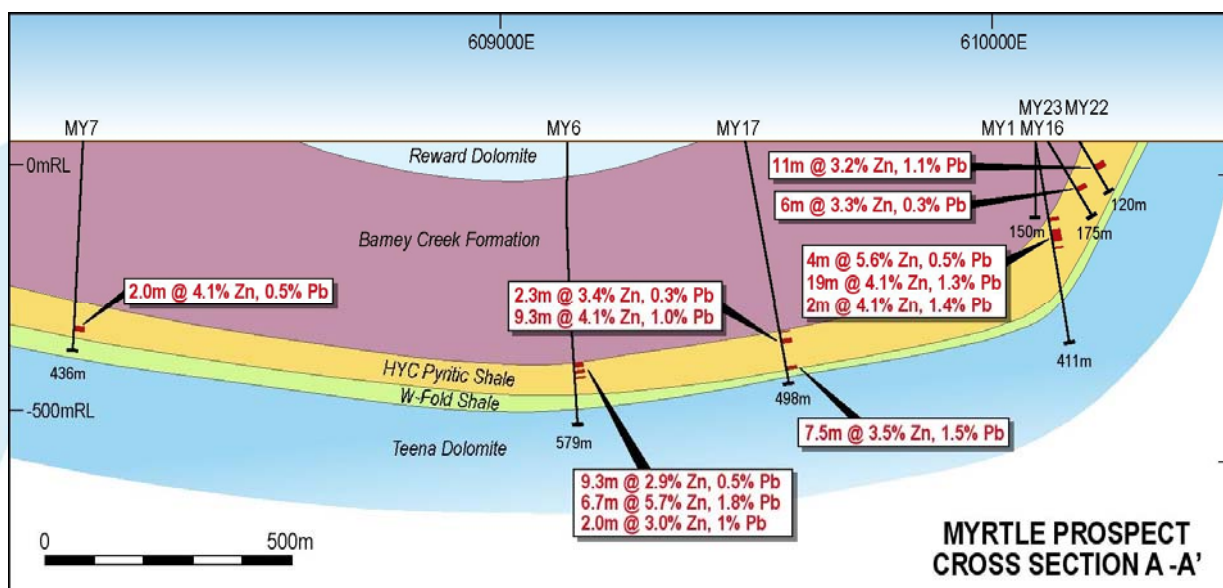


Figure 3: Myrtle Prospect Drill Cross Section A – A', showing drill intercepts above 3.0% Zn + Pb cut off across a strike length of at least 2km

Drilling Results

Drilling results received during the quarter were used in the mineral resource estimate, and included:

- MY19: 12 metres grading 4.02% Zn, 0.55% Pb from 149 metres depth
4 metres grading 4.44% Zn, 0.21% Pb from 163 metres depth
- MY20: 8.9 metres grading 5.31% Zn, 1.28% Pb from 363.1 metres depth
6.3 metres grading 4.85% Zn, 0.48% Pb from 339 metres depth

Table 2 and 3 below lists all drill intercepts received for drilling by Rox at Myrtle.

Table 2: Drill Results Above 5% Zn+Pb Lower Cut-off

Hole	From	To	Interval	Zn%	Pb%	Ag g/t	Zn+Pb%
MY6	473.50	480.20	6.70	5.70	1.81	0.4	7.51
MY10	125.00	127.00	2.00	4.22	1.62	3.0	5.84
MY10	192.00	194.00	2.00	7.92	2.42	1.5	10.34
MY10	216.00	231.00	15.00	5.50	1.09	0.3	6.59
MY10	233.00	237.00	4.00	5.07	2.80	0.0	7.86
MY16	160.00	164.00	4.00	5.57	0.50	1.4	6.07
MY16	180.00	184.00	4.00	4.89	1.05	1.0	5.94
MY16	189.00	194.00	5.00	6.03	2.94	1.0	8.97
MY17	407.75	410.00	2.25	6.78	1.53	0.7	8.31
MY17	469.31	472.46	3.15	4.13	1.29	2.8	5.42
MY19	154.00	158.00	4.00	5.22	0.61	1.2	5.83
MY20	339.00	342.00	3.00	5.31	0.55	0.5	5.86
MY20	363.10	372.00	8.90	5.31	1.28	0.6	6.59

Table 3: Drill Results at 3% Zn+Pb Lower Cut-off

Hole	From	To	Interval	Zn%	Pb%	Ag g/t	Zn+Pb%
MY6	455.95	465.20	9.25	2.91	0.49	0.7	3.40
MY6	473.50	480.20	6.70	5.70	1.81	0.4	7.51
MY6	487.00	489.00	2.00	3.01	0.99	0.0	4.00
MY7	389.40	391.40	2.00	4.13	0.49	0.4	4.62
MY8	240.63	247.00	6.37	3.84	0.40	0.1	4.24
MY10	120.00	127.00	7.00	3.19	0.95	0.9	4.14
MY10	141.00	145.00	4.00	4.20	0.33	1.0	4.52
MY10	191.00	195.00	4.00	5.57	1.61	0.8	7.18
MY10	216.00	241.00	25.00	4.82	1.35	0.2	6.17
MY16	160.00	164.00	4.00	5.57	0.50	1.4	6.07
MY16	179.00	198.00	19.00	4.14	1.34	0.8	5.48
MY16	217.00	219.00	2.00	4.12	1.42	1.2	5.54
MY17	407.75	417.00	9.25	4.07	1.00	0.7	5.07
MY17	465.00	472.46	7.46	3.47	1.48	2.5	4.95
MY17	394.77	397.03	2.26	3.37	0.32	0.7	3.69
MY19	149.00	161.00	12.00	4.02	0.55	1.0	4.57
MY19	163.00	167.00	4.00	4.44	0.21	1.6	4.64
MY20	327.00	330.00	3.00	4.24	0.49	0.8	4.73
MY20	339.00	345.30	6.30	4.85	0.48	0.6	5.33
MY20	363.10	372.00	8.90	5.31	1.28	0.6	6.59
MY20	430.00	433.00	3.00	2.79	1.23	1.3	4.02
MYR22	60.00	71.00	11.00	3.19	1.12	0.6	4.32
MYR23	115.00	121.00	6.00	3.31	0.30	0.6	3.62

True thickness in holes MY6, 7, 8, 17 and 20 is approximately equal to the down hole thickness due to the flat dip, while true thickness in holes MY10, 16, 19, 22 and 23 is approximately half the down hole thickness due to the 60° dip. Hole intercepts are quoted above the lower cut-off stated, with a minimum width of 2 metres and maximum internal dilution of 2 metres. Weighted average grades are stated.

Open Pit Potential

Shallow RC drilling above the MY16 intercept of 19 metres grading 5.5% Zn + Pb (Figure 4) returned results of:

MYR 22: 12 metres grading 3.1% Zn, 1.1% Pb from 59 metres depth
MYR 23: 9 metres grading 2.9% Zn, 0.5% Pb from 115 metres depth

These results occur beneath a distinct Zn – in – soil anomaly that extends for about 2kms (Figure 5), and indicate that mineralisation probably comes near to surface along the entire length of the soil anomaly. More drilling is required to confirm this.

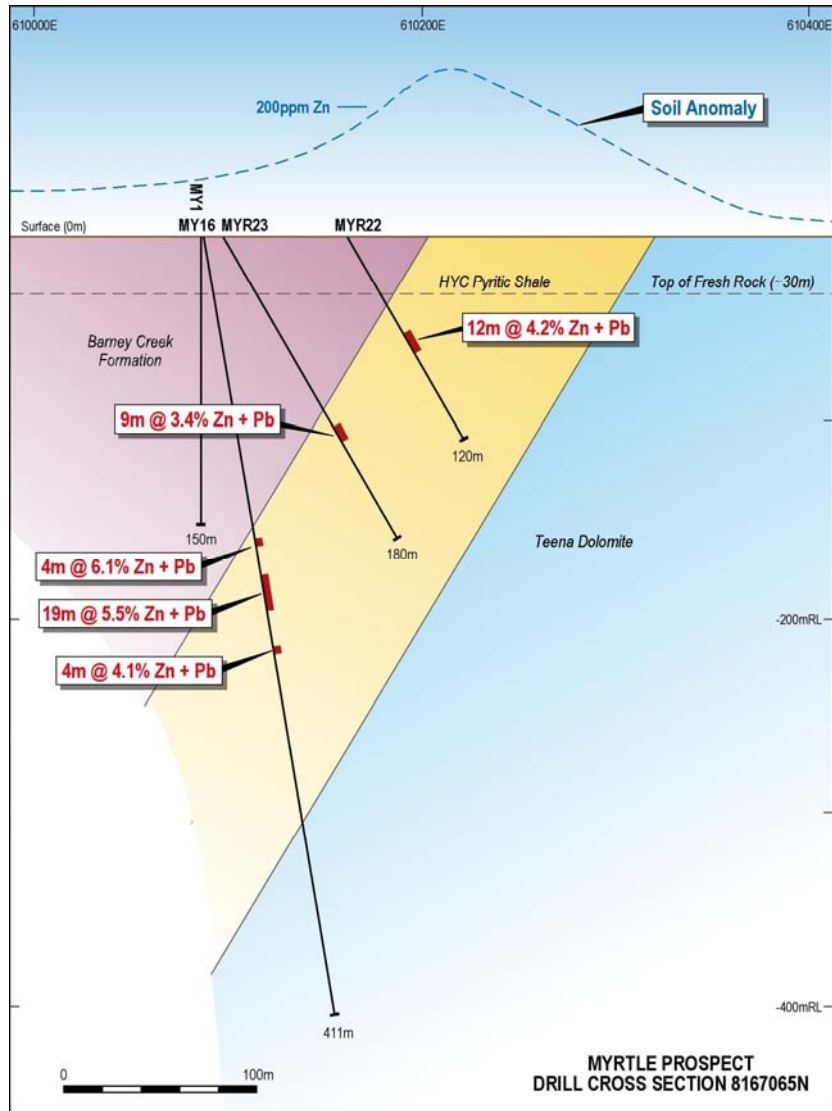


Figure 4: Myrtle Prospect Drill Cross Section, showing interpreted geology and intercepts

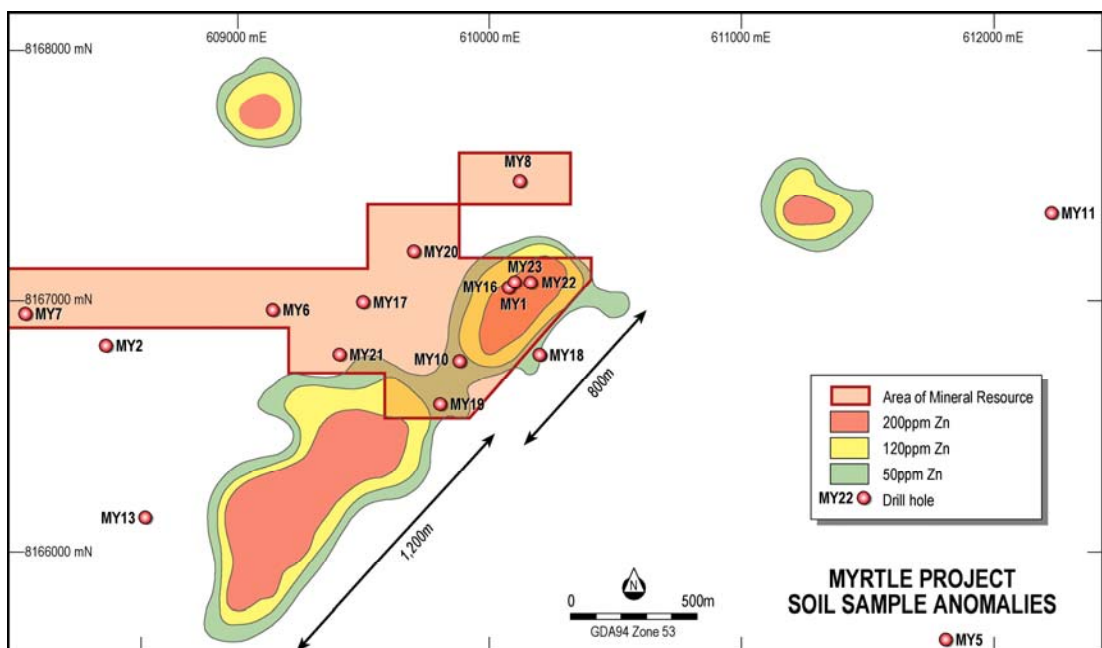


Figure 5: Myrtle Prospect Soil Sampling Plan

Acquisition of Project

Rox announced the exercise of the Option to Purchase the Myrtle zinc-lead deposit and enclosing tenement from Rio Tinto subsidiary North Mining Limited on 24 September 2008. This will give Rox 100% legal and beneficial ownership of the whole Reward Exploration Licence 10316, which includes the Myrtle deposit.

PHA LUANG ZINC-LEAD PROJECT, LAOS

No work was undertaken on this project due to the Lao wet season.

CORPORATE

During the quarter the company raised \$653,000 before costs in a placement to sophisticated investors and a share purchase plan for the issue of 14,511,095 shares.

With reference to other companies owning comparable size and grade zinc-lead deposits, the current share price of Rox severely undervalues the company in relation to these peer companies.

Dated this 22nd day of October 2008.



Signed on behalf of the Board of Rox Resources Limited.

IAN MULHOLLAND
Managing Director

Directors & Management

Jeff Gresham – Chairman
Ian Mulholland – Managing Director
Michael Blakiston – Non Executive Director
Brett Dickson – CFO & Company Secretary

Issued Capital

72.4M shares
11.85M unlisted options

Top Shareholders

Directors & Assoc	12.5%
Ivernia Inc.	6.3%
Howard Smith Investments	3.3%

FOR FURTHER INFORMATION CONTACT:

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

About Rox Resources

Rox Resources (ASX: RXL) is an emerging Australian exploration company focussing on zinc-lead deposits, particularly deposits of the Mississippi Valley Type (MVT) and Sedimentary Exhalative Type (SEDEX).

Rox has exercised its option to purchase the Reward project tenement which covers 379km² adjacent to the world class McArthur River zinc-lead deposit in the Northern Territory. A SEDEX style deposit has been identified by Rox at the Myrtle prospect, where an Inferred Mineral Resource of 38 million tonnes grading 4.2% Zn and 1.0% Pb has been delineated. Thick drill intercepts of prospective stratigraphy carrying significant zinc-lead grades have already been made but only a small portion of the prospective area has been drilled, and Rox is extremely confident the resource will continue to grow with further drilling. A higher grade core of 15 million tonnes grading 5.5% Zn and 1.5% Pb is present, and a large mineralised system is indicated.

IP and EM geophysical surveying, soil sampling and geologic interpretation also indicate the potential for shallow near surface mineralisation which may be exploitable by open pit mining. Several other prospects in the tenement area have similar potential to Myrtle but are at an early stage of exploration.

Rox also owns a 60% interest in the Pha Luang zinc-lead sulphide project in Laos which it believes has the potential to become a large new MVT style zinc-lead district. The project area covers a 20km² granted mining concession area and contains numerous zinc-lead prospects. Rox is the first explorer to apply modern techniques to the area. Mineralisation is widespread with zinc and lead oxides and sulphides outcropping in various places along a strike length of over 10km. Applications have been lodged for an additional 290km² exploration area immediately surrounding the granted mining concession.

Rox has been successful at defining mineralisation at a number of prospects in the Pha Luang project, with over 9,000 metres of drilling conducted so far. A number of very strong drill targets, and extensions to known mineralisation remain untested. Rox is now among several Australian mining companies enjoying success in Laos where the Government has stated its intentions to embrace mining as a priority industry. Rox maintains an exploration office in the Lao capital, Vientiane, to support the Pha Luang project.

Rox continues to actively review potential new opportunities, particularly in Australia and South East Asia.

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, 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 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.

APPENDIX 5B
Mining Exploration Entity Quarterly Report

Name of entity

ROX RESOURCES LIMITED

ACN or ARBN

107 202 602

Quarter ended ("current quarter")

September 2008

Consolidated statement of cash flows

Cash flows related to operating activities

1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for: (a) exploration and evaluation	(549)	(549)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(278)	(278)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	11	11
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other – Security bonds	-	-

Net Operating Cash Flows

(816)

(816)

Cash flows related to investing activities

1.8	Payment for purchases of:		
	(a) prospects	(50)	(50)
	(b) equity investments	-	-
	(c) other fixed assets	(4)	(4)
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

(54)

(54)

1.13 Total operating and investing cash flows (carried forward)

(870)

(870)

1.13 Total operating and investing cash flows (brought forward)	(870)	(870)
Cash flows related to financing activities		
1.14 Proceeds from issues of shares (net of costs)	614	614
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	614	614
Net increase (decrease) in cash held	(256)	(256)
1.20 Cash at beginning of quarter/year to date	779	779
1.21 Exchange rate adjustments to 1.20	-	-
1.22 Cash at end of quarter	523	523

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	86
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

N/A

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	50
4.2 Development	-
Total	50

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	28	7
5.2 Deposits at call	495	772
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	523	779

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 Preference securities <i>(description)</i>	-			
7.2 Changes during quarter	-			
7.3 Ordinary securities	72,386,428	72,386,428		
7.4 Changes during quarter - Issued	14,511,095	14,511,095	\$0.045	\$0.045
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>			<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
	1,700,000	Nil	\$0.35	30 Nov 2009
	400,000	Nil	\$0.35	31 May 2010
	2,000,000	Nil	\$0.35	30 Nov 2010
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: 22nd October 2008

Company Secretary

A handwritten signature in black ink, appearing to read "Brett Dickson", written over a light blue circular graphic element.

Print Name: Brett Dickson