

ROX RESOURCES LIMITED

ABN 53 107 202 602

REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

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Corporate Directory

Directors:

Mr Jeff Gresham
Non-Executive Chairman

Mr Ian Mulholland
Managing Director

Mr Michael Blakiston
Non-Executive 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:

Blakiston & Crabb
1202 Hay Street
West Perth WA 6005

Telephone: (08) 9322 7644
Facsimile: (08) 9322 1506

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)
RXLO (10.0 cent, 30 June 2011 options)

Listed Securities:

108,579,642 Fully paid ordinary shares
29,327,678 10.0 cent, 30 June 2011 options

Un-Listed Securities:

2,500,000 67.5 cent, 12 July 2009 options
2,000,000 35 cent, 30 November 2010 options
1,700,000 35 cent, 30 November 2009 options
400,000 35 cent, 31 May 2010 options

For information on your company contact:

Principal & Registered Office:

Ground Floor
63 Hay Street
Subiaco WA 6008

Telephone: (08) 6380 2966
Facsimile: (08) 6380 2988
Web: www.roxresources.com.au

ROX RESOURCES LIMITED

ABN 53 107 202 602

DIRECTOR'S REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

Your directors submit the financial report of the Company for the half-year ended 31 December 2008.

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 Michael Blakiston
Mr Ian Mulholland

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

REVIEW OF OPERATIONS

The loss for the half-year ended 31 December 2008 was \$1,314,687 (2007: \$1,654,675). This loss was principally due to exploration expenditure of \$581,812 (2007: \$972,164) being expensed directly to the profit and loss account.

Myrtle zinc-lead project, Australia

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

38 million tonnes grading 4.2% zinc, 1.0% lead, at a 3% zinc + lead cut-off.

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

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

15 million tonnes grading 5.5% zinc, 1.5% lead.

The mineral resource is limited by available drilling and should increase significantly in size with further drilling.

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

Memorandum of Understanding

Rox has received a number of expressions of interest from international mining companies, both in the Myrtle zinc-lead project, and in Rox as a corporate entity. Negotiations and discussions are ongoing, and a number of groups are currently conducting due diligence reviews.

Although no legally binding or exclusive agreements have been signed, a number of transactions have been proposed and are currently being considered.

One Memorandum of Understanding (MOU) has been signed with a Chinese minerals company (CMC). The MOU, which is non-exclusive and non-binding, is subject to confidentiality and records a proposed transaction, subject to a due diligence period expiring on 1 May 2009, whereby the CMC may acquire an 80% interest in the Myrtle Project (EL10316) for a cash payment to Rox of A\$12,500,000.

At the completion of the due diligence period, if the CMC proceeds with the transaction, Rox and the CMC will form a contributing 80/20 joint venture to further explore and develop the Myrtle zinc-lead project. The CMC will be the manager of the joint venture, and Rox may assist by way of its operational expertise in Australia.

Pha Luang zinc-lead project, Laos

No work was undertaken on this project during the period.

CORPORATE

Since the end of the financial period, being 31 December 2008, Rox has completed a renounceable entitlements issue of one (1) new Share for every two (2) existing Shares held by shareholders, at an issue price of \$0.02 per share together with one (1) free attaching new Option for every two (2) new Shares subscribed for ("Issue"). The Options will be exercisable at \$0.10 on or before 30 June 2011. In addition sub-underwriters to the Issue were offered one (1) Option for every three (3) shares underwritten. Net proceeds from the Issue will be used to provide general working capital and funds for the ongoing exploration on the Company's Myrtle project.

The Issue raised \$723,864 (before costs of the Issue) and resulted in the allotment of 36,193,214 fully paid ordinary shares and 29,327,678 options.

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.



J. GRESHAM

Director

Perth, Western Australia

Dated this 26th day of February 2009

ROX RESOURCES LIMITED

ABN 53 107 202 602

**CONSOLIDATED INCOME STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008****CONSOLIDATED**

	Note	31 December 2008 (\$)	31 December 2007 (\$)
Continuing operations			
Revenue	2(a)	17,665	97,417
Depreciation and amortisation expense	2(b)	(15,258)	(12,119)
Other expenses	2(c)	(1,189,424)	(1,747,493)
Loss from continuing operations before income tax expense		(1,187,017)	(1,662,195)
Income tax expense		-	-
Loss from continuing operations after income tax		(1,187,017)	(1,662,195)
Discontinued operations			
Profit/(loss) from discontinued operations after income tax	3	(127,670)	7,520
Net Loss attributable to members		(1,314,687)	(1,654,675)
Loss per share (cents per share)			
- basic and diluted, for loss for the year attributable to ordinary equity holders		(1.81)	(2.66)
- basic and diluted, for loss from continuing operations attributable to ordinary equity holders		(1.81)	(2.66)

ROX RESOURCES LIMITED

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CONDONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2008

		CONSOLIDATED	
	Note	31 December 2008 (\$)	30 June 2008 (\$)
ASSETS			
Current Assets			
Cash and cash equivalents		155,319	771,274
Trade and other receivables		-	32,633
Prepayments		27,717	6,113
		183,036	810,020
Assets of disposal group classified as held for sale	3	56,400	182,250
		239,436	992,270
Non-Current Assets			
Available for sale investments		61,500	114,750
Other receivables		143,227	143,227
Plant & Equipment		86,404	101,662
		291,131	359,639
Total Assets		530,567	1,351,909
LIABILITIES			
Current Liabilities			
Trade and other payables		74,609	185,132
Provisions		40,896	56,145
Income tax payable		8,086	8,086
Deferred tax liability		28,493	28,493
		152,084	277,856
Liabilities directly associated with the assets classified as held for sale		-	2,700
		152,084	280,556
Non-Current Liabilities			
Provisions		15,805	-
		15,805	280,556
Total Liabilities		167,889	280,556
NET ASSETS		362,678	1,071,353
EQUITY			
Contributed Equity	4	11,489,712	10,896,360
Reserves	4	820,114	807,454
Accumulated losses		(11,947,148)	(10,632,461)
TOTAL EQUITY		362,678	1,071,353

ROX RESOURCES LIMITED

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**CONSOLIDATED CASH FLOW STATEMENT FOR THE HALF-YEAR ENDED
31 DECEMBER 2008**

	CONSOLIDATED	
	31 December 2008	31 December 2007
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(572,583)	(503,679)
Interest received	17,665	97,417
Payments for exploration activities	(622,847)	(1,147,680)
Net cash used in operating activities	<u>(1,177,765)</u>	<u>(1,553,942)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of exploration projects	<u>(50,000)</u>	<u>-</u>
Net cash used in investing activities	<u>(50,000)</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares (net of costs)	653,000	-
Payments for share issue expenses	(41,190)	-
Security bonds paid	<u>-</u>	<u>(6,775)</u>
Net cash provided by financing activities	<u>611,10</u>	<u>(6,775)</u>
Net increase (decrease) in cash held	(615,955)	(1,560,717)
Cash at 1 July	<u>771,274</u>	<u>3,855,029</u>
Cash at 31 December	<u>155,319</u>	<u>2,294,312</u>

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

	CONSOLIDATED				
	Issued Share Capital (\$)	Share Option Reserve (\$)	Unrealised Gain/Loss Reserve (\$)	Accumulated (Losses) (\$)	Total (\$)
Balance as at 1 July 2008	10,896,360	807,454	-	(10,632,461)	1,071,353
Total income/expense recognised directly in equity					
Unrealised loss on available for sale investments	-	-	(53,250)	-	(53,250)
Recognition of impairment on available for sale investments	-	-	53,250	-	53,250
Loss for the period	-	-	-	(1,314,687)	(1,314,687)
Total recognised income and expense for the period	-	-	-	(1,314,687)	(1,314,687)
Shares issued during the period	653,000	-	-	-	653,000
Options & employee options	-	12,660	-	-	12,660
Capital raising costs	(59,648)	-	-	-	(59,648)
Balance as at 31 December 2008	<u>11,489,712</u>	<u>820,114</u>	<u>-</u>	<u>(11,947,148)</u>	<u>362,678</u>
Balance as at 1 July 2007	10,896,360	714,553	(45,000)	(7,272,755)	4,293,158
Fair value loss re-cycled on impairment of available for sale investments	-	-	45,000	-	45,000
Total income/expense recognised directly in equity	-	-	-	-	-
Loss for the period	-	-	-	(1,654,675)	(1,654,675)
Total recognised income and expense for the period	-	-	45,000	(1,654,675)	(1,609,675)
Options & employee options	-	54,945	-	-	54,945
Balance as at 31 December 2007	<u>10,896,360</u>	<u>769,498</u>	<u>-</u>	<u>(8,927,430)</u>	<u>2,738,428</u>

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

ROX RESOURCES LIMITED

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

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

Basis of Preparation

This general-purpose condensed financial report for the half year ended 31 December 2008 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The half-year financial report does not include all notes of the type normally included within the annual financial report 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 report be read in conjunction with the annual report for the year ended 30 June 2008 and considered together with any public announcements made by Rox Resources Limited during the half-year ended 31 December 2008 in accordance with the continuous disclosure obligations Act of the ASX listing rules.

Apart from the changes in accounting policy noted below, the accounting policies and methods of computation are the same as those adopted in the most recent annual financial report.

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 Consolidated Entity has incurred a net loss after tax for the half year ended 31 December 2008 of \$1,314,687 (2008:\$1,654,675) and experienced net cash outflows from operating activities of \$1,177,765 (2007: \$1,553,942). At 31 December 2008, the Consolidated Entity had net current assets of \$87,352 (30 June 2008: net current assets of \$711,714).

Since the end of the financial period a further \$723,864 has been raised through an entitlements issue to existing shareholders. The Directors believe there are sufficient funds to meet the Company's working capital requirements and as at the date of this report Consolidated Entity believe it can meet all liabilities as and when they fall due. However the Directors recognise that additional funding either through the issue of further shares, convertible notes or a combination of both will be required for the Consolidated Entity to continue to actively explore its mineral properties.

The Directors have reviewed the business outlook and the assets and liabilities of the Consolidated Entity and are of the opinion that the use of the going concern basis of accounting is appropriate as they believe the Company will continue to be successful in securing additional funds through debt or equity issues or partial sale of its mineral properties as and when the need to raise working capital arises.

Should the directors not achieve the matters set out above, there is significant uncertainty whether the Consolidated Entity will continue as a going concern and therefore whether it will realise its assets and liabilities in the normal course of business.

The financial report does not include any adjustments that may be necessary if the Consolidated Entity is unable to continue as a going concern.

Changes in Accounting Policy

Since 1 July 2008 the Group has adopted the following Standards and Interpretations, mandatory for annual periods beginning on or after 1 July 2008. Adoption of these Standards and Interpretations did not have any effect on the financial position or performance of the Group.

ROX RESOURCES LIMITED

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

NOTE 1: BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT (Cont'd)

- AASB 2008-10 *Amendment to Australian Accounting Standards – Reclassification of Financial Assets (amendments to AASB 139 Financial Instruments: Recognition and Measurement and AASB 7 Financial Instruments Disclosures)*
- Interpretation 12 and AASB 2007-2 *Service Concession Arrangements* and consequential amendments to other Australian Accounting Standards
- Interpretation 129 *Service Concession Arrangements: Disclosures*
- Interpretation 4 (revised) *Determining whether an arrangement contains a lease*
- Interpretation 13 *Customer Loyalty Programmes*.
- Interpretation 14 *The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*.

The Group has not elected to early adopt any new standards or amendments.

CONSOLIDATED

	31 December 2008	31 December 2007
	\$	\$

NOTE 2: LOSS FROM CONTINUING OPERATIONS

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) Revenues		
Interest revenue	17,665	97,417
(b) Expenses		
Depreciation	15,258	12,119
(c) Other		
Staff expenses	278,831	268,977
Share based payments	12,660	54,945
Office operating	100,479	78,654
Corporate expenses	97,856	105,896
Travel expenses	29,946	28,539
Impairment of available for sale		
Investments	53,250	175,500
Exploration expenditure	581,812	972,164
Other	34,590	62,818
	<hr/>	<hr/>
	1,189,424	1,747,493

NOTE 3: DISCONTINUED OPERATIONS

No components of the company have been disposed of in the current half-year reporting period.

On the 15 August 2006 the company reached agreement for the sale of its South African diamond projects. The disposal of these projects is expected to be completed in the first half of 2009 and as at 31 December 2008 arrangements were being put in place to meet a number of preconditions to the sale. As at 31 December 2008 the South African diamond projects were classified as a disposal group held for sale.

ROX RESOURCES LIMITED

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

NOTE 3: DISCONTINUED OPERATIONS (Con't)

The results of the discontinued operations for the period until disposal are presented below:

	31 December 2008	30 June 2008
	\$	\$
Revenue	-	-
Other Income (expenses)	(1,820)	3,394
Gross profit (loss)	(1,820)	3,394
Impairment of disposal group classified as held for sale	(125,850)	-
Profit(Loss) before tax from discontinued operations	(127,670)	3,394
Related income tax	-	-
Profit(Loss) for the period from discontinued operations	(127,670)	3,394

The major classes of assets and liabilities of the South African Diamond projects at 31 December 2008 are as follows:

	31 December 2008	30 June 2008
	\$	\$
<i>Assets</i>		
Other- capitalised exploration expenditure	56,400	182,250
<i>Liabilities</i>		
Trade creditors and payables	-	(2,700)
Net assets attributable to discontinued operations	56,400	179,550

The net cash out-flows (inflows) of the South African diamond projects are as follows:

	31 December 2008	30 June 2008
	\$	\$
Operating activities	1,820	12,406
Net cash outflows	1,820	12,406

Earnings per share (cents per share)

- Basic from discontinued operations	-	0.01
- Diluted from discontinued operations	-	0.01

ROX RESOURCES LIMITED

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

CONSOLIDATED

NOTE 4: ISSUED CAPITAL	31 December 2008 \$	30 June 2008 \$
(a) Issued and paid up capital: 72,386,428 fully paid ordinary shares (30 June 2008: 57,875,333)	11,489,712	10,896,360
(b) Option reserve:	820,114	807,454

(c) Movements in issued and paid up capital during the past six months were as follows:

Date	Details	Number of Shares	\$
1 July 2008	Opening Balance	57,875,333	10,896,360
21 August 2008	Issue at \$0.045 pursuant to private placement	8,600,000	387,000
10 September 2008	Issue at \$0.045 pursuant to Share Purchase Plan	5,911,095	266,000
-	Expenses associated with share issues	-	(59,648)
31 Dec 2008	Closing Balance	72,386,428	11,489,712

There were no movements in issued and paid up capital during the six months ended 31 December 2007.

(d) Movements in Option Reserve during the past six months were as follows:

Date	Details	Number of Options	\$
1 July 2008	Opening Balance	11,850,000	807,454
-	Employee options issued in prior periods and vested in current year	-	12,660
31 Dec 2008	Closing Balance	11,850,000	820,114
1 July 2007	Opening Balance	10,300,000	714,553
19 December 2007	Employee options issued	2,100,000	5,287
-	Employee options issued in prior periods and vested in current year	-	49,658
31 Dec 2007	Closing Balance	12,400,000	769,498

NOTE 5: COMMITMENTS AND CONTINGENCIES

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

ROX RESOURCES LIMITED

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

NOTE 6: SEGMENT INFORMATION

The Company operates as a mineral exploration company in Australia and Laos with discontinued operations in South Africa.

	Australia		Laos		Discontinued Operations		Unallocated		Total	
	31 Dec 2008	31 Dec 2007	31 Dec 2008	31 Dec 2007	31 Dec 2008	31 Dec 2007	31 Dec 2008	31 Dec 2007	31 Dec 2008	31 Dec 2007
Revenue	-	-	-	-	-	-	17,665	97,417	17,665	97,417
Result	(1,059,788)	(769,746)	(127,229)	(892,449)	(127,670)	7,520	-	-	(1,324,995)	(1,654,675)

NOTE 7: EARNINGS PER SHARE

Basic earnings or loss per share amounts are calculated by dividing net profit or loss attributable holders of ordinary shares by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share are not materially different to basic earnings per share.

The following reflects the income (loss) and share data used in the basic earnings per share computations:

	2008	2007
	\$	\$
Loss attributable to members of the parent	<u>(1,314,687)</u>	<u>(1,654,675)</u>
	Number	Number
Weighted average number of ordinary shares for basic earnings per share	67,721,821	57,875,333
Adjustment factor for underwritten renounceable entitlement issue on 29 January 2009	1.07	1.07
	cents	cents
Basic and diluted for loss for the year attributable to ordinary equity holders	1.81	2.66

As outlined in note 8 below, on 29 January 2009 the Company completed an underwritten one for two pro-rata renounceable entitlements issue at an offer price of \$0.02 per share to raise \$723,864. The 31 December 2008 and prior period loss per share have been restated with an adjustment factor of 1.07 reflecting the completion of the entitlements issue. There have been no other transactions involving ordinary shares between the reporting date and the date of completion of these financial statements.

NOTE 8: SUBSEQUENT EVENTS

Since the end of the financial period the company has completed a renounceable entitlements issue of one (1) new Share for every two (2) existing Shares held by shareholders, at an issue price of \$0.02 per share together with one (1) free attaching new Option for every two (2) new Shares subscribed for ("Issue"). The Options will be exercisable at \$0.10 on or before 30 June 2011. In addition sub-underwriters to the Issue were offered one (1) Option for every three (3) shares underwritten. Net proceeds from the Issue will be used to provide general working capital and funds for the ongoing exploration on the Company's Myrtle project.

The Issue raised \$723,864 (before costs of the Issue) and resulted in the allotment of 36,193,214 fully paid ordinary shares and 29,327,678 options.

ROX RESOURCES LIMITED

ABN 53 107 202 602

DECLARATION

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 the Company:
 - (i) give a true and fair view of the financial position as at 31st December 2008 and the performance for the half year ended on that date of the Company; and
 - (ii) comply with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and

- (b) 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



J. GRESHAM

Director

Perth, Western Australia

Dated this 26th day of February 2009

Report on the Consolidated Half-Year Financial Report

We have reviewed the accompanying half year financial report of Rox Resources Limited, which comprises the consolidated balance sheet as at 31 December 2008, and the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement for the half year ended on that date, other selected explanatory notes and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the half year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 Interim and other Financial Reports 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 2008 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.

Inherent Uncertainty Regarding Continuation as a Going Concern

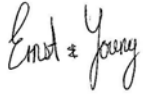
Without qualification to the review opinion expressed above, attention is drawn to the following matter. As a result of the matters described in Note 1 to the half year financial report, there is significant uncertainty whether the company and consolidated entity will be able to continue as a going concern and therefore whether they will be able to pay their debts as and when they become due and payable and realise their assets and extinguish their liabilities in the normal course of operations and at the amounts stated in the financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the company and the consolidated entity not continue as going concerns.

Conclusion

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

- i giving a true and fair view of the company's financial position as at 31 December 2008 and of its performance for the half year ended on that date; and

- ii complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A handwritten signature in cursive script that reads 'Ernst & Young'.

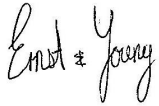
Ernst & Young

A handwritten signature in cursive script, appearing to be 'R J Curtin'.


R J Curtin
Partner
Perth
26 February 2009

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 2008, 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.

A handwritten signature in cursive script that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in cursive script, appearing to be 'R J Curtin'.

R J Curtin
Partner
Perth
26 February 2009