

ASX RELEASE  
31 August 2005

## PROGRESS REPORT ON DRILLING PROGRAMME IN LAOS

### INTRODUCTION

Rox Resources has an agreement to acquire a 60% interest in the sulphide portion of the Pha Luang zinc-lead oxide mine in Laos (Figure 1). Drilling is underway to test three different geological models for the high-grade surface mineralisation.

The lateral, along strike and across strike extent of the zinc-lead-silver oxide outcrops at Pha Luang, and the intensity and widths of surface mineralisation, suggests that this area has the potential to host a significant zinc-lead province.

### EXPLORATION PROGRAM AND GEOLOGICAL MODEL

Rock chip samples taken by Rox of zinc oxide mineralisation graded up to 53% zinc (Zn). Samples from mixed lead-zinc oxide-carbonate mineralisation graded up to 32% lead (Pb) and 24% zinc, and a sample of partly oxidised galena (lead sulphide) assayed 74% lead and 400 g/t silver (Ag).

From mapping, sampling and drilling at the Pha Luang 2 and 3, Bon Noi, Gao Noi and Nam Yen prospects, Rox has recognised three different types of surface "oxide" mineralisation. These are:

1. Hydrozincite (a hydrated zinc carbonate,  $Zn_5(CO_3)_2(OH)_6$ ) which outcrops at the Pha Luang 2 and 3 prospects, and at several other locations along the Pha Luang range. It shows zones of massive hydrozincite, often grading >50% Zn with low Pb and Ag, and clean sharp contacts with surrounding limestone breccias.
2. Complex mixed zone of zinc and lead carbonate minerals, predominantly smithsonite ( $ZnCO_3$ ) and cerussite ( $PbCO_3$ ), such as at Bon Noi (~30% Pb and 20% Zn).
3. Galena outcropping at surface, usually with high Ag values, such as at Nam Yen and Gao Noi (>60% Pb and >400 g/t Ag).

Geological mapping of the openings at Pha Luang 2 and 3 showed that the geology was not continuous, with facies variations on a detailed scale. However, a zone of dolomite alteration and brecciation of up to 50m wide was discernable and was the host to the zinc "oxide" material being mined. This fits the Mississippi Valley type geological model being employed.

Rox has completed three diamond drill holes for a total of 242 metres testing beneath hydrozincite mineralisation at the Pha Luang 2 and 3 prospects (Figure 2), and beneath complex Pb-Zn secondary mineralisation at Bon Noi. At this stage only the hydrozincite model has been effectively tested by drilling.

## DRILLING RESULTS

The first hole (PLD001) at Bon Noi was drilled vertically instead of inclined, because of equipment limitations at the time. The hole intersected minor sulphide mineralisation (<1% disseminated pyrite and sphalerite) in limestone and brecciated limestone, and was terminated at 83.6m. As the hole was drilled vertically, it is felt that the hole missed the plunge of the potential massive sulphide zone.

The second hole (PLD002) at Pha Luang 2, drilled beneath hydrozincite mineralisation. Because of site access difficulties the hole was drilled from the footwall side and may have drilled largely down dip. It intersected massive and brecciated limestone with trace to minor (<1%) sulphides, similar to PLD001, and was terminated by bit failure at 73.0m.

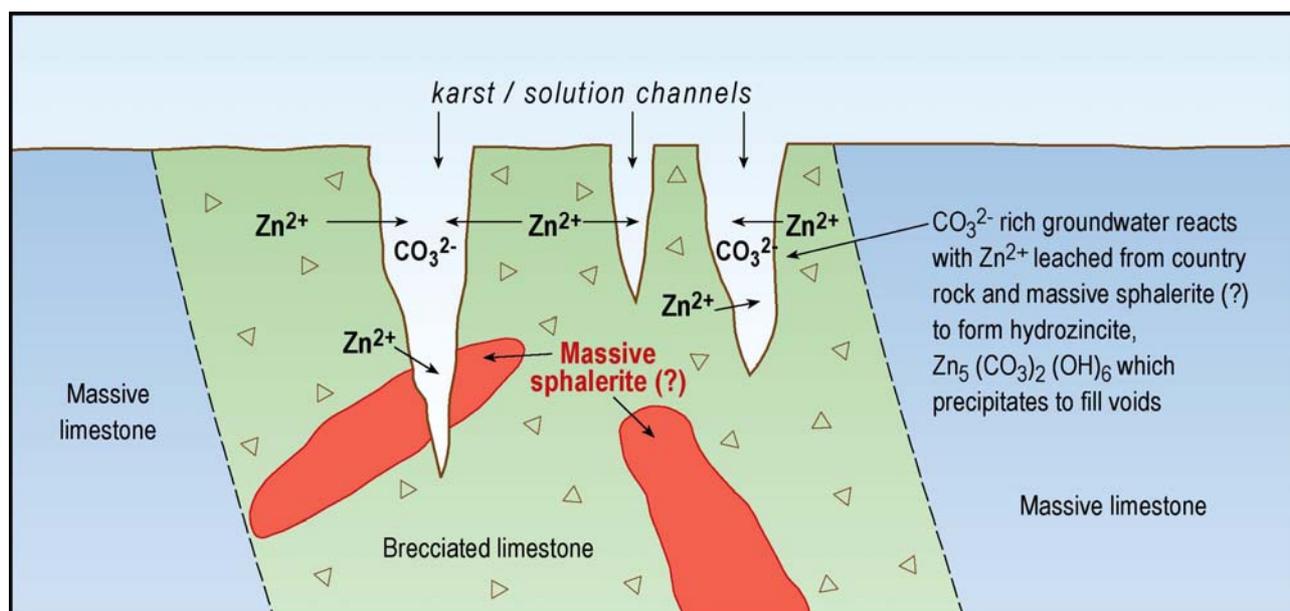
The third hole (PLD003) was drilled at Pha Luang 3 testing the hydrozincite surface zone. Drilling was vertical to intersect the zone beneath the steeply dipping secondary zinc mineralisation. A similar result to the two previous holes was obtained, and the hole was terminated at 86m.

Assay samples are being collected and results should be available in about 4 weeks time.

## INTERPRETATION

### Hydrozincite

Rox is confident that it has established a geological model for the hydrozincite mineralisation. This involves leaching of zinc from the brecciated limestone sulphide-bearing “mineralised zone” and other zinc-rich zones (including massive zinc sulphide at depth) by acidic ground waters; and redeposition by precipitation in karst topography and solution cavities in limestone when contact with neutralising carbonate over a long period of time is made. A schematic diagram for this appears below. The source of the zinc could be separate from the hydrozincite deposits due to the mobility of zinc in the weathering environment.



This is a similar scenario to the Padaeng zinc deposit in Thailand, where karst fill and a secondary zinc ‘oxide’ blanket formed. The differences are that the secondary zinc blanket at Padaeng formed hemimorphite (Zn silicate) in an adjacent sandstone unit with the karst-fill beneath in limestone.

There is no secondary blanket at Pha Luang with only the karst-fill remaining. The comment is made however (Reynolds et. al., Economic Geology, vol. 98, 2003, pp 773-785), that massive sulphides have been found at Padaeng (about 0.75Mt @ 15% Zn, 1.5% Pb), so it is not unreasonable to expect massive sulphides at Pha Luang.

#### Complex Pb-Zn Secondary Zones and Massive Galena

Pb and Ag are not very mobile in the weathering environment. The outcrops of complex Pb-Zn carbonates at Bon Noi, and the massive galena outcrops at Gao Noi and Nam Yen with their high values of Pb and Ag, could represent insitu sulphide zones.

None of these targets have been effectively tested to date.

#### **PLANNED DRILLING**

To conclude the due diligence drilling programme an inclined hole at Bon Noi, drilling directly down the observed trend and plunge of the secondary Pb-Zn lode is now underway. The final hole in the programme will be at Nam Yen (2km SE of Bon Noi), drilling directly underneath the massive galena which outcrops for more than 100m in length and assays up to ~60% Pb, 15% Zn, and 400g/t Ag.

- ENDS -

#### **FOR FURTHER INFORMATION CONTACT:**

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*The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Ian Mulholland B.Sc (Hons), M.Sc., F.Aus.I.M.M., F.A.I.G., F.S.E.G., 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.*

#### **ABOUT ROX**

Rox is a Perth-based exploration company with a portfolio of projects in Laos, South Africa and Australia. Current resources at the historic million ounce Menzies gold project in Western Australia total 170,900 ounces grading 2.5 g/t Au. In Laos Rox is evaluating the Pha Luang zinc-lead project and has first right of refusal over a number of other prospective resource projects there. In South Africa Rox has a number of alluvial and kimberlite diamond projects.

Rox has set about to expand its project portfolio and is actively looking at projects worldwide to become an multi-national multi-commodity resource company.



Figure 1: Location Map

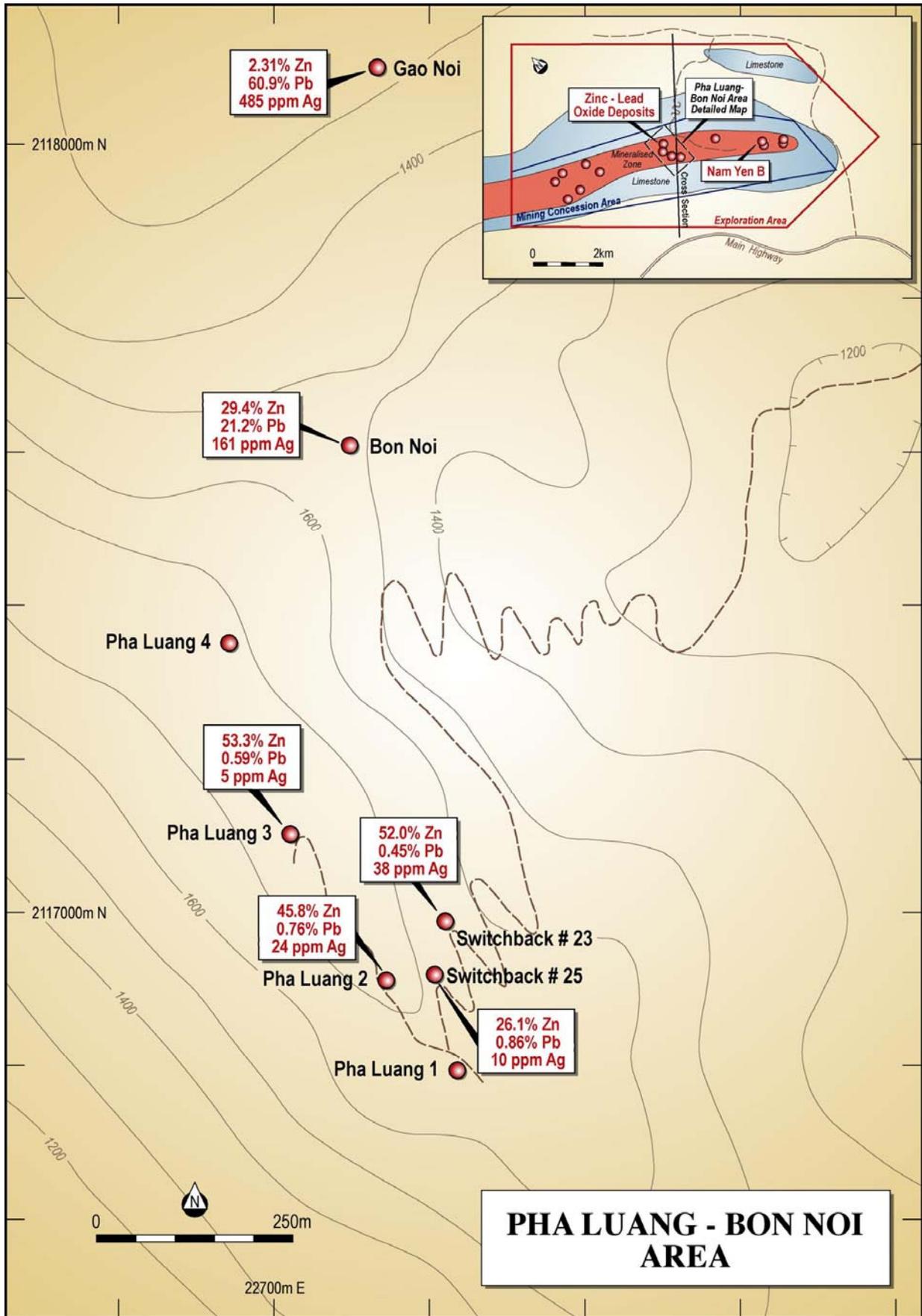


Figure 2: Pha Luang Oxide Outcrop Locations and Rock Chip Results