



ASX/MEDIA RELEASE

15 August 2006

ROX SELLS SOUTH AFRICAN DIAMOND PROJECTS

Rox Resources Limited (ASX: RXL) ("Rox") has completed its transformation to a focussed lead-zinc explorer in Laos, with the sale of its South African diamond projects to Paramount Mining Corporation ("Paramount").

Paramount will issue Rox up to 6 million Paramount shares, and make a payment of \$30,000 cash.

Immediately after settlement Rox will hold approximately 5.4% of Paramount based on the current capital structure, increasing up to a possible holding of 13%.

Rox Managing Director, Ian Mulholland, said that selling the diamond projects to Paramount is a win-win for shareholders.

"This transaction enables us to concentrate all our efforts on the Pha Luang lead-zinc project in Laos, while at the same time offers Rox shareholders the opportunity to participate in Paramount's success with the diamond projects," said Mr Mulholland.

Rox has also settled on the sale of its Menzies project, receiving \$350,000 cash and being issued 3 million shares in Regal Resources Limited representing some 7% of its current issued capital. A second cash payment of \$200,000 is due on 11 February 2007.

"The proceeds from these two deals increases our cash to \$6.5 million with a share portfolio currently valued at over \$1 million, enabling a focussed and aggressive exploration program at our Pha Luang lead-zinc project in Laos", he said. "Drilling is expected to re-commence in November at the end of the wet season."

The sale of the diamond projects to Paramount will be completed in stages. At settlement Rox will be paid the \$30,000 cash and be issued 2.25 million Paramount shares for the three projects granted so far, with the remainder of the shares anticipated to be issued progressively over the next 24 months as the other projects are granted by the South African DME and site access secured.

All projects are held by 100% Rox-owned South African subsidiary company, Nyala Resources (Proprietary) Limited ("Nyala") and Paramount is purchasing all of the shares in Nyala from Rox.

The projects include two alluvial diamond properties south of Kimberley, and a suite of tenements to the north-west that host known diamondiferous kimberlite pipes, including the Zoutpansfontein diamond pipe acquired from De Beers.

"Paramount is an excellent fit for the diamond projects – management has a strong technical focus and ability, it is ASX-listed, and it already has an established presence in South Africa and the Kimberley region. We can therefore look forward to Paramount unlocking additional value of these assets and sharing in the upside through our significant shareholding in Paramount."

- ENDS -

FOR FURTHER INFORMATION CONTACT:

Ian Mulholland
Managing Director
Tel: (08) 9486 4537

Ann Nahajski
Porter Novelli
Tel: (08) 9386 1233

or visit;

www.roxresources.com.au

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Maureen Muggeridge, B.Sc., F.A.I.G., Chairman and Chief Executive Officer of Paramount Mining Corporation Ltd. and Ian Mulholland, B.Sc. (Hons), M.Sc, F.Aus.I.M.M., F.A.I.G., Managing Director of Rox Resources Ltd. Ms Muggeridge and Mr Mulholland are full-time employees of their respective companies. They have sufficient experience relevant to the style of mineralisation and type of deposits under consideration, and to the activity undertaken, to qualify as competent persons as defined in the 2004 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Ms Muggeridge and Mr Mulholland consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.