



11 September 2006

Dear Shareholder,

It is my pleasure to provide an update on your Company's recent activities as well as to enclose your personal copy of the Laos supplement to the international mining industry magazine, Mining Journal, which features a story on Rox.

The supplement provides a useful background summary on Laos, where mining is seen as a priority sector in the country's development, as well an interesting article on Rox's flagship Pha Luang project located in Laos (page 7).

Since acquiring a 60% interest in Pha Luang in 2005 Rox has significantly advanced its understanding of the project and now believes it has the potential to become a large new lead-zinc district. Mineralisation at Pha Luang is widespread with zinc oxides and lead sulphides outcropping in various places over a strike length of 10km.

As part of the initial exploration program by Rox at Pha Luang, RC drilling in April 2006 discovered significant limestone-hosted sulphide mineralisation at the exciting Nam Yen prospect, including **33 metres** grading **11.4% combined lead-zinc**, and **19 metres** grading **8.6% combined lead-zinc**. Drilling has not yet closed off the mineralisation.

To facilitate the next stages of Rox's aggressive exploration and development strategy in Laos, your Company recently divested its diamond projects in South Africa and has settled on the sale of its gold project in Western Australia. The Company has a strong cash position of \$5.5 million and in addition it will have a share portfolio valued at approximately \$1 million once recently announced transactions are finalised.

After the current wet season concludes in October, Rox plans to commence an aggressive exploration program over the ensuing 9 months. It is anticipated this program will involve 7,000 metres of drilling, extensive soil sampling, and geophysical surveys, and should result in an initial definition of the resource at Nam Yen. Intersection of sulphides at one or more other prospects is also expected, demonstrating the project's potential.

Extensions of the outcropping mineralisation are known to exist for at least 5-10 km outside of the Company's joint venture area. Rox has made application in its own right to cover the unpegged part of this, plus another 20 km of unexplored prospective ground.

Your Company has some exciting times ahead, and with the recent appointment of our new Chairman, Mr Jeff Gresham, I am proud to be leading Rox in these endeavours. If you wish to discuss the company's plans or projects please do not hesitate to contact me.

I encourage you to also visit our website, [www.roxresources.com.au](http://www.roxresources.com.au), for current and updated information.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Ian Mulholland", written in a cursive style.

**Ian Mulholland**  
**Managing Director**