



# ROX RESOURCES LIMITED

ABN 53 107 202 602

## NOTICE OF GENERAL MEETING AND EXPLANATORY MEMORANDUM TO SHAREHOLDERS

**Date of Meeting**

26 February 2009

**Time of Meeting**

9:00am

**Place of Meeting**

Ground Floor, 63 Hay Street  
Subiaco, Western Australia

**A Proxy Form is enclosed**

Please read this Notice and Explanatory Memorandum carefully.

If you are unable to attend the General Meeting please complete and return the enclosed Proxy Form in accordance with the specified directions.

# ROX RESOURCES LIMITED

ABN 53 107 202 602

## NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting of Shareholders of Rox Resources Limited ABN 53 107 202 602 ("Company") will be held at 9:00am on 26 February 2009 at Ground Floor, 63 Hay Street, Subiaco Western Australia for the purpose of transacting the following business referred to in this Notice of General Meeting.

## AGENDA

### ITEMS OF BUSINESS

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#### 1. Resolution 1 – Ratification of issue of Options

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purpose of Listing Rule 7.4 and for all other purposes, the Company ratify the allotment and issue of 11,231,072 Options for no monetary consideration, each Option having an exercise price of \$0.10 and an expiry date of 30 June 2011, to the parties referred to, and on the terms and conditions set out, in the Explanatory Memorandum (including Annexure A to the Explanatory Memorandum)."*

The Company will disregard any votes cast on Resolution 1 by any person who participated in the issue the subject of Resolution 1 and any person associated with those persons. However, the Company need not disregard a vote if the vote is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or the vote is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
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#### 2. Resolution 2 – Issue of Options to a Director – Mr Ian Mulholland

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, pursuant to Listing Rule 10.11 and for all other purposes, the Directors be and are hereby authorised to grant and issue 833,333 Options for no consideration, each Option having an exercise price of \$0.10 and an expiry date of 30 June 2011, to Mr Ian Mulholland or his nominee(s), on the terms and conditions set out in the Explanatory Memorandum (including Annexure A to the Explanatory Memorandum)."*

The Company will disregard any votes cast on Resolution 2 by Mr Ian Mulholland and any associate of Mr Ian Mulholland. However, the Company need not disregard a vote if the vote is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or the vote is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
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For the purposes of Resolutions 1 and 2, the following definitions apply:

"**ASX**" means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited;

"**Company**" means Rox Resources Limited ABN 53 107 202 602;

"**Explanatory Memorandum**" means the explanatory memorandum accompanying this Notice;

"**Directors**" means the Directors of the Company;

"**Listing Rules**" means the Listing Rules of the ASX;

"**Notice**" means this Notice of General Meeting;

"**Option**" means an option to acquire a Share, the terms of which are set out in Annexure A to the Explanatory Memorandum;

"**Resolution**" means a resolution contained in this Notice; and

"**Share**" means a fully paid ordinary share in the capital of the Company.

**By order of the Board**

**Brett Dickson**  
Company Secretary

Dated: 21 January 2009

## How to vote

Shareholders can vote by either:

- attending the meeting and voting in person or by attorney or, in the case of corporate shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the proxy form accompanying this Notice of Meeting and by submitting their proxy appointment and voting instructions in person, by post, or by facsimile.

## Voting in person (or by attorney)

Shareholders, or their attorneys, who plan to attend the meeting are asked to arrive at the venue 15 minutes prior to the time designated for the meeting, if possible, so that their holding may be checked against the Company's share register and attendance recorded. Attorneys should bring with them an original or certified copy of the power of attorney under which they have been authorised to attend and vote at the meeting.

## Voting by a Corporation

A shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the meeting evidence of his or her appointment, including any authority under which it is signed unless previously given to the Company's Share Registry.

## Voting by proxy

- A shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the meeting.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the shareholder's votes each proxy may exercise, each proxy may exercise half of the votes.
- A proxy need not be a shareholder.
- The proxy can be either an individual or a body corporate.
- If a proxy is not directed how to vote on an item of business, the proxy may vote, or abstain from voting, as they think fit.
- Should any resolution, other than those specified in this Notice, be proposed at the meeting, a proxy may vote on that resolution as they think fit.
- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the shareholder's behalf on the poll and the shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
- Shareholders who return their proxy forms with a direction how to vote but do not nominate the identity of their proxy will be taken to have appointed the Chairman of the meeting as their proxy to vote on their behalf. If a proxy form is returned but the nominated proxy does not attend the meeting, the Chairman of the meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chairman of the meeting, the secretary or any Director that do not contain a direction how to vote will be used where possible to support each of the resolutions proposed in this Notice.
- To be effective, proxies must be lodged by 9:00am (Perth time) on 24 February 2009. Proxies lodged after this time will be invalid.
- Proxies may be lodged using any of the following methods:
  - by returning a completed proxy form in person or by post to:

<b>In person:</b>	Ground Floor, 63 Hay Street, SUBIACO, Western Australia
<b>Postal address:</b>	PO Box 1167, WEST PERTH, 6872
  - by faxing a completed proxy form to +61 8 6380 2988;

The proxy form must be signed by the shareholder or the shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the power of attorney, or the power itself, must be received by the Company at the above address, or by facsimile, and by 9:00am (Perth time) on 24 February 2009. If facsimile transmission is used, the power of attorney must be certified.

## Shareholders who are entitled to vote

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001, the Board has determined that a person's entitlement to vote at the General Meeting will be the entitlement of that person set out in the Register of Shareholders as at 5:00pm on 24 February 2009.

**PROXY FORM**  
**ROX RESOURCES LIMITED**  
**ABN 53 107 202 602**

**Appointment of Proxy**

If appointing a proxy to attend the General Meeting on your behalf, please complete the form and submit it in accordance with the directions on the reverse of the page.

I/We \_\_\_\_\_ of \_\_\_\_\_ being a shareholder/shareholders of Rox Resources Limited pursuant to my/our right to appoint not more than two proxies, appoint

The Chairman of the Meeting (mark with an "X")

OR

Write here the name of the person you are appointing if this person is someone other than the Chairman of the Meeting.

Write here the name of the person you are appointing.

or failing him/her, (if no proxy is specified above), the Chairman of the meeting, as my/our proxy to vote for me/us and on my/our behalf at the General Meeting to be held at 9:00am (Perth time) on 26 February 2009 at Ground Floor, 63 Hay Street, SUBIACO, WA and at any adjournment of that meeting.

**Voting directions to your proxy – please mark  to indicate your directions**

<b>RESOLUTION</b>	<b>For</b>	<b>Against</b>	<b>Abstain *</b>
1. Ratification of Issue of Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Issue of Options to a Director – Mr Ian Mulholland	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

\*If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

**PLEASE SIGN HERE**

This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Executed in accordance with section 127 of the *Corporations Act*:

**Individual or Shareholder 1**

**Sole Director & Sole Company Secretary**

**Joint Shareholder 2**

**Director**

**Joint Shareholder 3**

**Director/ Company Secretary**

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2009

\_\_\_\_\_  
**Contact Name**

\_\_\_\_\_  
**Contact Business Telephone / Mobile**



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**INSTRUCTIONS FOR COMPLETING PROXY FORM**

1. Completion of a proxy form will not prevent individual shareholders from attending the General Meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attend the General Meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the General Meeting.
2. A shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes.
3. A proxy need not be a shareholder of the Company.
4. If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not to be counted in computing the required majority on a poll.
5. Should any resolution, other than those specified in this Notice, be proposed at the meeting, a proxy may vote on that resolution as they think fit.
6. If a representative of a company shareholder is to attend the meeting, a properly executed original (or certified copy) of the appropriate "Certificate of Appointment of Corporate Representative" should be produced for admission to the meeting.
7. If a representative as Power of Attorney of a shareholder is to attend the meeting, a properly executed original (or certified copy) of an appropriate Power of Attorney should be produced for admission to the General Meeting.

8. **Signing Instructions**

You must sign this form as follows in the spaces provided:

**Individual:** Where the holding is in one name, the holder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the shareholders should sign.

**Power of Attorney:** If you are signing under a Power of Attorney, you must lodge an original or certified photocopy of the appropriate Power of Attorney with your completed Proxy Form.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary this form must be signed by that person.

If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone.

Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

9. **Lodgement of a Proxy**

This Proxy Form (and any power of attorney under which it is signed) must be received at the address below not later than 9:00am on 24 February (48 hours before the commencement of the meeting).

Any Proxy Form received after that time will not be valid for the scheduled meeting.

**Hand deliveries:** Ground Floor, 63 Hay Street, SUBIACO, Western Australia

**Postal address:** PO Box 1167, WEST PERTH, 6872

**Fax number:** +61 8 6380 2988

# ROX RESOURCES LIMITED

ABN 53 107 202 602

## EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of General Meeting of Rox Resources Limited ("**Rox**" or the "**Company**").

Certain abbreviations and other defined terms are used throughout this Explanatory Memorandum. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to the Explanatory Memorandum.

### RESOLUTION 1 - RATIFICATION OF ISSUE OF OPTIONS

On 22 December 2008, the Company issued a prospectus ("**Prospectus**") for a pro rata renounceable rights issue of approximately 36,193,214 new Shares on the basis of one new Share for every two Shares held on the record date at an issue price of \$0.02 per new Share, together with approximately 18,096,607 free attaching Options, each exercisable at \$0.10 on or before 30 June 2011 on the basis of one free attaching Option for every two new Shares issued, to raise approximately \$723,864 ("**Rights Issue**"). The Rights Issue closes on 23 January 2009. Accordingly, by the time the general meeting the subject of this Notice is held, the Rights Issue would have closed.

The Rights Issue has been fully underwritten by Patersons Securities Limited. The Prospectus was also for the offer of up to a maximum of 12,064,405 free Options on the same terms as the abovementioned free attaching Options to sub-underwriters of the Rights Issue, on the basis of one Option for every 3 new Shares committed to be sub-underwritten. The grant of these free Options was to occur regardless of the outcome of the Rights Issue and the amount of Rights Issue shortfall. It is anticipated the Options will be granted shortly after the Rights Issue closes, and, in any event, prior to the general meeting the subject of this Notice.

A Director, Mr Ian Mulholland, agreed with Patersons Securities Limited, to sub-underwrite \$50,000 of the funds to be raised under the Rights Issue (2,500,000 new Shares and 1,250,000 free attaching Options) on the same terms as other non-related party sub-underwriters. Accordingly, 833,333 of the 12,064,405 free Options are to be granted to Mr Mulholland (or his nominee), subject to the receipt of the shareholder approval being sought pursuant to Resolution 2. Accordingly, only 11,231,072 of the 12,064,405 Options will have been issued to sub-underwriters by the time the general meeting the subject of this Notice is held. Resolution 1 seeks shareholder approval pursuant to Listing Rule 7.4 to ratify this issue of 11,231,072 Options.

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval, provided the issue did not breach the 15% threshold not be Listing Rule 7.1. The effect of such ratification is to restore a company's maximum discretionary power to issue further shares up to 15% of the issued capital of the company without requiring shareholder approval.

As noted above, pursuant to Resolution 1, the Directors are seeking ratification under Listing Rule 7.4 of the issue of 11,231,072 Options that will have been made prior to the general meeting the subject of this Notice, in order to restore the right of the Company to issue further securities within the 15% limit during the next 12 months.

The following information in relation to the Options is provided to shareholders for the purposes of Listing Rule 7.5:

- (a) 11,231,072 Options were allotted and issued;
- (b) the Options were issued for no monetary consideration;
- (c) the terms and conditions of the Options issued are set out in Annexure A to this Explanatory Memorandum;



- (d) the Options were issued to a number of sub-underwriters to the Rights Issue, all of whom are unrelated parties of the Company; and
- (e) no funds were raised from the issue.

## RESOLUTION 2 - ISSUE OF OPTIONS TO A DIRECTOR - MR IAN MULHOLLAND

As noted above, a Director, Mr Ian Mulholland, sub-underwrote \$50,000 of the funds to be raised under the Rights Issue on the same terms as other non-related party sub-underwriters and was entitled to be granted 833,333 free Options, each exercisable at \$0.10 on or before 30 June 2011, subject to shareholder approval.

Accordingly, Resolution 2 seeks shareholder approval pursuant to Listing Rule 10.11 to authorise the Directors to grant and issue 833,333 Options to Mr Mulholland (or his nominee).

Mr Mulholland currently has a relevant interest in 2,272,222 Shares and 5,000,000 unquoted options. Of those options 2,000,000 are exercisable at \$0.35 each on or before 30 November 2010 and 3,000,000 are exercisable at \$0.20 on or before 31 January 2009. Mr Mulholland has advised that he is unlikely to exercise those options that expire on 31 January 2009. If those options are not exercised by 31 January 2009 they will lapse, accordingly it is assumed those options will lapse. He has indicated he will take up his entitlement of 1,136,111 Shares and 568,056 free attaching Options. Also, he may be required to subscribe for up to an additional 2,500,000 Shares and 1,250,000 free attaching Options under his sub-underwriting arrangements. If the maximum number of Shares and Options are issued (including the Options the subject of this Resolution 2), he will hold 5,908,333 Shares and the following options (assuming the options that expire on 31 January 2009 lapse):

Number	Exercise price	Expiry date
2,000,000 (unquoted)	\$0.35	30/11/10
2,651,389 (quoted)	\$0.10	30/06/11

The following further information is provided to shareholders for the purposes of Listing Rule 10.13:

- (a) the maximum number of Options the Company can issue under Resolution 2 is 833,333 Options;
- (b) the Company will issue the Options within one month of the date of the general meeting (or such later date as approved by ASX);
- (c) the Options will be issued for no monetary consideration;
- (d) the Options will be allotted and issued to Mr Ian Mulholland or his nominee(s);
- (e) the terms and conditions of the Options to be issued are set out in Annexure A to this Explanatory Memorandum; and
- (f) no funds will be raised from the issue.

## GLOSSARY

"**ASX**" means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

"**Board**" means the board of Directors of the Company.

"**Company**" means Rox Resources Limited ABN 53 107 202 602.

"**Corporations Act**" means the *Corporations Act 2001* (Cth).

"**Director**" means a director of the Company.

"**Listing Rules**" means the Listing Rules of the ASX.

"**Notice**" means the notice of general meeting which accompanies this Explanatory Memorandum.

"**Option**" means an option to acquire a Share, the terms of which are set out in Annexure A to this Explanatory Memorandum.

"**Resolution**" means a resolution proposed pursuant to the Notice.

"**Share**" means a fully paid ordinary share in the capital of the Company.

## ANNEXURE A

### TERMS AND CONDITIONS OF OPTIONS

The terms and conditions of the Options are as follows:

- (a) The Options shall expire at 5.00pm on 30 June 2011 (“**Expiry Date**”).
- (b) Subject to condition (j), each Option shall carry the right in favour of the option holder to subscribe for one fully paid ordinary share in the capital of the Company (“**Share**”). Options may be exercised after the date of issue and prior to the Expiry Date.
- (c) Subject to condition (j), the Shares allotted to option holders on exercise of Options shall be issued at a price of 10 cents each (“**Exercise Price**”).
- (d) Subject to condition (j), the Exercise Price of Shares the subject of the Options shall be payable in full on exercise of the Options.
- (e) Options shall be exercisable by the delivery to the registered office on the Company of a notice in writing stating the intention of the option holder to:
  - (i) exercise all or a specified number of Options; and
  - (ii) pay the subscription monies in full for the exercise of each Option.The notice must be accompanied by a cheque made payable to the Company for the subscription monies for the Shares. An exercise of only some Options shall not affect the rights of the option holder to the balance of the Options held by him.
- (f) The Company shall allot the resultant Shares and deliver the holding statement within five business days of the exercise of the Option.
- (g) The Options shall be freely transferable.
- (h) Shares allotted pursuant to an exercise of Options shall rank, from the date of allotment, equally with existing ordinary fully paid Shares in all respects.
- (i) The Company shall within five business days of any exercise of the Options apply for official quotation on the ASX of the Shares allotted pursuant to the exercise of any of the Options.
- (j) In the case of any entitlements issue (other than a bonus issue) the Exercise Price of the Option shall be reduced according to the following formula:

$$O' = O - \frac{E[P - (S + D)]}{N + 1}$$

- O' = the new exercise price of the Option
- O = the old exercise price of the Option
- E = the number of underlying securities into which one Option is exercisable
- P = the average market price per Share (weighted by reference to volume) of the underlying securities during the five trading days ending on the day before the ex-rights date or ex-entitlements date.
- S = the subscription price for a security under the pro-rata issue.
- D = the dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro-rata issue).
- N = the number of securities with rights or entitlements that must be held to receive a right to one new security.

- (k) In the case of a bonus issue the number of Shares over which the Option is exercisable shall be increased by the number of Shares which the option holder would have received if the Option had been exercised before the record date for the bonus issue. The Company shall notify the ASX of the adjustments in accordance with the Listing Rules.
- (l) In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company, the number of the Options or the exercise price of the Options or both shall be reconstructed (as appropriate) in accordance with the Listing Rules of ASX.
- (m) The Options will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant Options.
- (n) There are no participating rights or entitlements inherent in the Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the Option.

