

ROX RESOURCES LIMITED

ABN 53 107 202 602

**REPORT FOR THE
HALF-YEAR ENDED
31 DECEMBER 2012**

Contents

Half-Year Report	Page No.
Corporate Directory	2
Directors' Report	3
Financial Statements	6
Declaration by Directors	14
Independent Review Report	15

Corporate Directory

Directors:

Mr Jeff Gresham
Non-Executive Chairman

Mr Ian Mulholland
Managing Director

Mr Brett Dickson
Finance 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:

Middletons
Level 32, St Martins Tower
44 St Georges Terrace
Perth WA 6000

Telephone: (08) 9216 0900
Facsimile: (08) 9216 0901

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)

Listed Securities:

590,809,744 Fully paid ordinary shares

Un-Listed Securities:

550,000 4.7 cent, 30 November 2014 options
8,500,000 2.5 cent, 30 November 2015 options

For information on your company contact:

Principal & Registered Office:

Level 1
30 Richardson Street
West Perth WA 6005

Telephone: (08) 9226 0044
Facsimile: (08) 9322 6254
Web: www.roxresources.com.au

ROX RESOURCES LIMITED

ABN 53 107 202 602

DIRECTOR'S REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

Your directors submit the financial report of the Rox Resources Limited ("the Company") for the half-year ended 31 December 2012.

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 Brett Dickson

Mr Ian Mulholland

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

REVIEW OF OPERATIONS

The loss for the half-year ended 31 December 2012 was \$1,078,056 (2011: \$2,212,030). This loss was principally due to significant expenditure on exploration activities during the period, \$625,979 (2011: \$1,873,371).

Mt Fisher Gold-Nickel Project, WA

During December 2012 at the Fisher East nickel sulphide project, located 450 km north of Kalgoorlie, Western Australia a RC drilling program of five (5) holes was undertaken to test a nickel geochemical anomaly and EM target at a prospect named Camelwood. Each hole drilled intersected semi-massive or strongly disseminated nickel sulphide mineralisation over a 300m strike length and up to 200m depth.

Results were:

MFEC001: **3m @ 1.3% Ni**, including **2m @ 1.6% Ni** from 130m

MFEC002: **4m @ 2.0% Ni** from 212m

MFEC003: **3m @ 1.7% Ni**, including **2m @ 2.2% Ni** from 152m

MFEC004: **20m @ 1.1% Ni** from 159m, including **6m @ 1.4% Ni** from 159m and **5m @ 1.5% Ni** from 169m

MFEC005: **1m @ 3.0% Ni** from 147m

The increase in grade and thickness from hole MFEC001 to hole MFEC002 which is below MFEC001 is encouraging, as is the wide intercept in hole MFEC004, with two zones of strong mineralisation.

Drilling recommenced in during February 2013 with the first RC hole from this new program, MFEC006, drilled 100 metres south of the previous southernmost hole (MFEC003), intersecting 3 metres of strong disseminated sulphide mineralisation from 125 metres downhole. The second RC hole, MFEC007, drilled 100 metres north of the previous northernmost hole (MFEC005) intersected 3 metres of strong disseminated (including some semi-massive) sulphide mineralisation from 118 metres downhole, followed by 8 metres of moderate-strong disseminated sulphide mineralisation.

Diamond drilling, also commenced in February. The first diamond drill hole at the prospect, MFED001, was drilled 50 metres down dip from RC hole MFEC002 and intersected 6 metres of sulphide mineralisation comprising 3.1 metres of massive to semi-massive sulphide mineralisation (282.8 - 285.9m) followed by 2.9 metres of strongly disseminated sulphide mineralisation (285.9 - 288.8m).

Drilling is continuing at Fisher East with an RC drilling rig testing strike extensions to Camelwood and other EM anomalies in the area, and a diamond drilling rig testing the large EM conductor and depth extensions at Camelwood

Myrtle Zinc-Lead Project, NT (Rox 100%, Teck earning up to 70%)

Teck Australia Pty Ltd. ("Teck") may earn an initial 51% interest in the Myrtle-Reward project located adjacent to the McArthur River zinc-lead mine in the Northern Territory by expenditure of \$5 million by August 2014, and can earn up to a 70% interest through the expenditure of \$15 million by August 2018. Teck is operator of the project while it is sole contributing to expenditure, or is the majority owner, and to date has expended approximately \$2.8 million.

During the period Teck undertook a soil geochemical survey over the Teena, Reward and Boko prospects. A strong coherent zinc-lead-arsenic-thallium (Zn-Pb-As-Tl) anomaly was identified over the Teena prospect which lies south of the interpreted uplifted Teena Dolomite to the north.

Drilling to confirm the impressive grades and thicknesses from historic drilling previously reported from the Teena prospect is expected to mid 2013.

Bonya Copper Project, NT (Rox earning up to 70%)

In early October 2012, Rox announced that it had entered into a Farm-in Agreement with Arafura Resources Limited to explore the Bonya Copper Project allowing Rox Resources to earn a 70% interest in the large (279 km²) and highly prospective copper project.

Located adjacent to the Jervois copper deposit (JORC Mineral Resource of 11.9 Mt @ 1.3% Cu, 25 g/tAg), 350km east of Alice Springs, Northern Territory, visible outcropping copper mineralisation at the old Bonya Mine initially returned rock chip assays up to 30.7% copper, 34.1 g/t silver and 0.52 g/t gold, including significant levels of lead (Pb).

Further geochemical sampling by Rox in November resulted in the identification of a number of additional outcrops of visible copper oxide mineralisation. Samples of outcropping oxide (malachite, azurite) and sulphide (chalcocite) copper mineralisation were collected from these numerous and widely spread old workings within the western tenement area, with rock chip assay results up to **32.9% Cu, 54.8 g/t Ag, and 0.64 g/t Au.**

The most significant prospects identified to date include:

- Green Hoard, where a large historic trench 80m long, 4m wide and 2m deep, and several stockpiles of copper oxide and sulphide ore were found,
- Ashmara, where old diggings were found,
- Kings Legend, where a trench and shaft are present,
- Green Goanna, where an old shaft was found,
- White Violet, where several large trenches and extensive oxide copper mineralisation over a 200m strike length was found,
- Fat Cow, where stockpiled (drummed) oxide ore was found, and
- Goat, where outcrop of copper oxide was observed.

There are walk up drill targets at the old Bonya Mine prospect, and Rox plans to further evaluate these new prospects by detailed mapping, rock and soil sampling prior to drilling.

Under the terms of the agreement, Rox can earn an initial 51% interest in the copper, lead, zinc, silver, gold, bismuth and PGE mineral rights (Cu-Pb-Zn-Ag-Au-Bi-PGE) in the project by expenditure of \$500,000 in the first 2 years, with a minimum expenditure of \$150,000 in the first year. Rox can elect to earn a further 19%, and increase its interest to a total of 70%, by spending a further \$1 million over an additional 2 years.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD

Since the end of the financial period the company issued 90,000,000 ordinary fully paid shares at \$0.055 each to raise \$4,950,000 before expenses of the issue.

During December 2012 reverse circulation (RC) drilling undertaken by the company discovered disseminated and semi-massive nickel sulphide mineralisation at the Fisher East nickel prospect on its Mt Fisher project 450km north of Kalgoorlie in Western Australia.

In January 2013 the Company was advised it had been awarded three grants under the WA Government's Exploration Incentive Scheme (EIS), totalling \$100,000 to support exploration at the Mt Fisher gold-nickel project. Under the EIS guidelines, the funding only covers direct drilling costs and Rox is required to match the \$100,000 in funding.

No other matter or circumstance has arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial periods.

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.



I. MULHOLLAND

Director

Perth, Western Australia

Dated this 26 day of February 2013

ROX RESOURCES LIMITED

ABN 53 107 202 602

**STATEMENT COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012****CONSOLIDATED**

	Note	31 December 2012 (\$)	31 December 2011 (\$)
Other revenue	3	17,081	92,845
Corporate expenses		(171,223)	(196,644)
Occupancy and related expenses		(91,836)	(86,765)
Salaries, wages and superannuation		(187,433)	(135,568)
Exploration expenditure expensed		(625,979)	(1,873,371)
Share based payments to employees		(6,528)	(6,449)
Loss on sale of available-for-sale investments	6	(5,852)	-
Depreciation		(6,286)	(6,078)
Loss before income tax		(1,078,056)	(2,212,030)
Income tax expense		-	-
Net Loss for the period after income tax		(1,078,056)	(2,212,030)
Other comprehensive income:			
Items that may be re-classified subsequently to profit or loss			
Net gain on available-for-sale financial assets	4, 6	3,750	4,500
Other comprehensive income for the period, net of tax		3,750	4,500
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(1,074,306)	(2,207,530)
- basic and diluted loss per share from operations attributable to the ordinary equity holders of the parent		(0.26)	(0.57)

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes

ROX RESOURCES LIMITED

ABN 53 107 202 602

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2012**CONSOLIDATED**

	Note	31 December 2012 (\$)	30 June 2012 (\$)
ASSETS			
Current Assets			
Cash and cash equivalents	5	1,883,387	1,309,547
Trade and other receivables		1,531	-
Prepayments		24,254	3,925
Other financial assets		18,390	18,390
Total Current Assets		<u>1,927,562</u>	<u>1,331,862</u>
Non-Current Assets			
Available for sale investments	6	-	56,250
Plant & equipment	7	69,436	74,451
Capitalised exploration & evaluation	8	1,027,000	1,027,000
Total Non-Current Assets		<u>1,096,436</u>	<u>1,157,701</u>
Total Assets		<u>3,023,998</u>	<u>2,489,563</u>
LIABILITIES			
Current Liabilities			
Trade and other payables		195,221	89,394
Provisions		64,565	56,821
Total Current Liabilities		<u>259,786</u>	<u>146,215</u>
Total Liabilities		<u>259,786</u>	<u>146,215</u>
NET ASSETS		<u>2,764,212</u>	<u>2,343,348</u>
EQUITY			
Issued capital	9	21,178,180	19,689,538
Reserves		1,235,893	1,225,615
Accumulated losses		(19,649,861)	(18,571,805)
TOTAL EQUITY		<u>2,764,212</u>	<u>2,343,348</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes

ROX RESOURCES LIMITED

ABN 53 107 202 602

STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

CONSOLIDATED

	Issued Share Capital	Share Option Reserve	Available for sale Asset Reserve	Accumulated (Losses)	Total
	(\$)	(\$)	(\$)	(\$)	(\$)
At 1 July 2012	19,689,538	1,229,365	(3,750)	(18,571,805)	2,343,348
Loss for period	-	-	-	(1,078,056)	(1,078,056)
Other comprehensive income	-	-	3,750	-	3,750
Total comprehensive loss for the half year	-	-	3,750	(1,078,056)	(1,074,306)
Transactions with owners in their capacity as owners					
Issue of share capital	1,537,100	-	-	-	1,537,100
Share issue costs	(48,458)	-	-	-	(48,458)
Share-based payments	-	6,528	-	-	6,528
Balance as at 31 December 2012	<u>21,178,180</u>	<u>1,235,893</u>	<u>-</u>	<u>(19,649,861)</u>	<u>2,764,212</u>
At 1 July 2011	18,702,961	1,215,747	(26,250)	(15,212,590)	4,679,868
Loss for period	-	-	-	(2,212,030)	(2,212,030)
Other comprehensive income	-	-	4,500	-	4,500
Total comprehensive loss for the half year	-	-	4,500	(2,212,030)	(2,207,530)
Transactions with owners in their capacity as owners					
Issue of share capital	986,577	-	-	-	986,577
Share issue costs	-	-	-	-	-
Share-based payments	-	6,449	-	-	6,449
Balance as at 31 December 2011	<u>19,689,538</u>	<u>1,222,196</u>	<u>(21,750)</u>	<u>(17,424,620)</u>	<u>3,465,364</u>

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

ROX RESOURCES LIMITED

ABN 53 107 202 602

**STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED
31 DECEMBER 2012**

		CONSOLIDATED	
	Note	31 December 2012	31 December 2011
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received		17,081	52,078
Payments to suppliers and employees		(418,187)	(463,197)
Payments for exploration activities		(566,573)	(1,716,273)
Net cash flows used in operating activities		(967,679)	(2,127,392)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for equipment		(1,271)	(5,073)
Payments for projects		-	(175,000)
Proceeds from sale of available-for-sale investments	6	54,148	-
Net cash flows from (used in) investing activities		52,877	(180,073)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares (net of expenses)		1,488,642	346,577
Security bonds paid		-	(18,390)
Net cash flows from financing activities		1,488,642	328,187
Net increase (decrease) in cash and cash equivalents		573,840	(1,979,278)
Cash and cash equivalents at beginning of period		1,309,547	4,361,129
Cash and cash equivalents at end of period	5	1,883,387	2,381,851

The above statement of cash flows should be read in conjunction with the accompanying notes

ROX RESOURCES LIMITED

ABN 53 107 202 602

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

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

Basis of Preparation

This condensed financial report for the half year ended 31 December 2012 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The half-year financial statements does not include all notes of the type normally included within the annual financial statements 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 statements be read in conjunction with the annual financial statements for the year ended 30 June 2012 and considered together with any public announcements made by Rox Resources Limited during the half-year ended 31 December 2012 in accordance with the continuous disclosure obligations 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.

New standards, interpretations and amendments thereof, adopted by the Company

The Company has adopted AASB 2011-9 *Amendments to Australian Accounting Standards – Presentation of Other Comprehensive Income* effective 1 July 2012 which did not have a significant impact on the financial statements or performance of the Company.

The Company did not adopt any other new and/or revised Standards, Amendments and Interpretations from 1 July 2012 which had an effect on the financial position or performance of the Company.

NOTE 2: OPERATING SEGMENTS

Identification of Reportable Segments

The Company operates within the mineral exploration industry within Australia.

The Company determines its operating segments by reference to internal reports that are reviewed and used by the Board of Directors (the chief operating decision maker) in assessing performance and in determining the allocation of resources. The executive management team currently receive Statement of Financial Position and Statement of Comprehensive Income information that is prepared in accordance with Australian Accounting Standards therefore there is no additional information to disclose.

The Statement of Financial Position and Statement of Comprehensive Income information received by the executive team does not include any information by segment. The executive team manages each exploration activity of each exploration concession through review and approval of statutory expenditure requirements and other operational information.

Based on this criterion, the Company has only one operating segment, being exploration, and the segment operations and results are the same as the Company results.

CONSOLIDATED

	31 December 2012	31 December 2011
	\$	\$

NOTE 3: REVENUE, INCOME AND EXPENSES

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) Other revenue		
Interest revenue	17,081	92,845

ROX RESOURCES LIMITED

ABN 53 107 202 602

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

CONSOLIDATED

	31 December 2012 \$	31 December 2011 \$
NOTE 4: COMPONENTS OF OTHER COMPREHENSIVE INCOME		
Available-for-sale financial assets		
Gain arising during the year	<u>3,750</u>	<u>4,500</u>
 NOTE 5: CASH AND CASH EQUIVALENTS		
For the purpose of the half-year statement of cash flows, cash and cash equivalents are comprised the following.		
Cash at bank and in hand	<u>1,883,387</u>	<u>2,381,851</u>
 NOTE 6: AVAILABLE-FOR-SALE INVESTMENTS		
Opening Balance	56,250	60,000
Revaluation during the period	-	(3,750)
Proceeds on disposal	(54,148)	-
Gain arising during the year recognised in Other Comprehensive Income	-	-
Amounts recycled from other comprehensive income to profit & loss on sale of the investment	3,750	-
Loss on disposal	(5,852)	-
Closing Balance	<u>-</u>	<u>56,250</u>
 NOTE 7: PLANT AND EQUIPMENT		
During the six months ended 31 December 2012, the Company acquired assets with a cost of \$1,271 (2011: \$5,073). No assets were disposed of.		
 NOTE 8: CAPITALISED EXPLORATION & EVALUATION		
Areas of interest in exploration and evaluation phases	<u>1,027,000</u>	<u>1,027,000</u>
 NOTE 9: SHARE CAPITAL		
	Shares	\$
Balance at 1 July 2011	355,231,233	18,702,961
Options exercised on 18 July 2011 at \$0.015 per share	4,161,122	62,417
Options exercised on 25 July 2011 at \$0.015 per share	3,739,121	56,087
Issued for project on 5 August 2011 at \$0.032 per share	20,000,000	640,000
Options exercised on 8 August 2011 at \$0.015 per share	15,204,901	228,073
Share issue expenses	-	-
Balance as at 31 December 2011	<u>398,336,377</u>	<u>19,689,538</u>
 Balance at 1 July 2012	 398,336,377	 19,689,538
Issued pursuant to share purchase plan at \$0.015 per share	92,473,367	1,387,100
Placement on 11 December 2012 at \$0.15 per share	10,000,000	150,000
Share issue expenses	-	(48,458)
Balance at 31 December 2012	<u>500,809,744</u>	<u>21,178,180</u>

ROX RESOURCES LIMITED

ABN 53 107 202 602

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

NOTE 10: COMMITMENTS AND CONTINGENCIES

In early October Rox 2012 announced that it had entered into a Farm-in Agreement with Arafura Resources Limited to explore the Bonya Copper Project allowing Rox Resources to earn a 70% interest in the large (279 km²) and highly prospective copper project.

Under the terms of the agreement, Rox can earn an initial 51% interest in the copper, lead, zinc, silver, gold, bismuth and PGE mineral rights (Cu-Pb-Zn-Ag-Au-Bi-PGE) in the project by expenditure of \$500,000 in the first 2 years, with a minimum expenditure of \$150,000 in the first year. Rox can elect to earn a further 19%, and increase its interest to a total of 70%, by spending a further \$1 million over an additional 2 years.

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

NOTE 11: EVENTS AFTER THE BALANCE SHEET DATE

Since the end of the financial period the company issued 90,000,000 ordinary fully paid shares at \$0.055 each to raise \$4,950,000 before expenses of the issue.

During December 2012 reverse circulation (RC) drilling undertaken by the company discovered disseminated and semi-massive nickel sulphide mineralisation at the Fisher East nickel prospect on its Mt Fisher project 450km north of Kalgoorlie in Western Australia.

In January 2013 the Company was advised it had been awarded three grants under the WA Government's Exploration Incentive Scheme (EIS), totalling \$100,000 to support exploration at the Mt Fisher gold-nickel project. Under the EIS guidelines, the funding only covers direct drilling costs and Rox is required to match the \$100,000 in funding.

No other matter or circumstance has arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial periods.

NOTE 12: SHARE BASED PAYMENT

During the financial period 8,500,000 options were granted. The exercise price of the options of \$0.025 was a 50% premium to the 30 day VWAP for the 30 day period immediately prior to their issue date. One half of the options vest after 12 months with the balance vesting after 24 months. The fair value of the options granted is estimated at the date of grant using a binomial pricing model, taking into account the terms and conditions upon which the options were granted and was estimated using the following assumptions:

Exercise Price (cents)	2.5
Weighted average share price	1.6
Expected life (years)	3.0
Expected volatility (%)	100
Dividend yield (%)	-
Risk-free interest rate (%)	2.58

For the six months ended 31 December 2012 the Company recognised \$6,528 of share-based payments transactions expense in the income statement (2011: \$6,449)

ROX RESOURCES LIMITED

ABN 53 107 202 602

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

NOTE 13: RELATED PARTY TRANSACTION

Coolform Investments Pty Ltd, a company in which Mr Dickson is a director and shareholder, received fees totalling \$72,000 (2011: \$105,600) for the provision of services.

During the financial period the Company paid fees totalling \$49,203 (including GST) (2011:\$ 49,203) to Azure Minerals Limited, a company of which Mr Dickson is an officer, for the provision of office accommodation. The Company also received fees totalling \$12,876 (including GST) (2011:\$ 6,131) from Azure Minerals Limited being reimbursement for the provision of office secretarial support.

All of the above mentioned related party transactions were entered into on arm's length commercial terms.

ROX RESOURCES LIMITED

ABN 53 107 202 602

DECLARATION BY DIRECTORS

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 Rox Resources Limited are in accordance with the *Corporations Act 2001*, including:
- (i) Giving a true and fair view of the financial position as at 31st December 2012 and the performance for the half year ended on that date of the company.
 - (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.
- (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



I. MULHOLLAND

Director

Perth, Western Australia

Dated this 26 day of February 2013

To the members of Rox Resources Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Rox Resources Limited which comprises the statement of financial position as at 31 December 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

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 a Financial Report 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 2012 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.

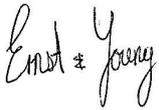
Independence

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.

Conclusion

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

- a) giving a true and fair view of the company's financial position as at 31 December 2012 and of its performance for the [period duration e.g. half-year] ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A stylized, handwritten-style logo for Ernst & Young.

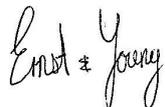
Ernst & Young

A handwritten signature in black ink, appearing to be 'R J Curtin'.

R J Curtin
Partner
Perth
26 February 2013

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 2012, 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 stylized, handwritten signature of the Ernst & Young firm.

Ernst & Young

A handwritten signature of R J Curtin.

R J Curtin
Partner
26 February 2013