

ASX/MEDIA RELEASE

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EXPLORATION UPDATE

HIGHLIGHTS

Myrtle

- **Airborne gravity survey completed and identifies new targets**
- **Drilling to commence in June 2012**
- **Budget of \$2.1 million planned for 2012 field season**

Mt Fisher

- **Structural analysis identifies new targets for mineralisation**
 - **Aircore drilling program planned to test new target areas**
 - **Metallurgical testwork returns highly encouraging results**
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Rox Resources Limited (**ASX: RXL**) ("**Rox**") is pleased to provide an update on recent and planned exploration activities at its Myrtle zinc-lead project, located 20 km south of the McArthur River mine in the Northern Territory, and its 100% owned Mt Fisher gold-nickel project located 200 km north of Leonora in Western Australia (Figure 1).

Rox Managing Director, Mr Ian Mulholland said, "The 2012 exploration programme at Myrtle and at Mt Fisher is set to commence in early June. The drilling and the additional exploration programmes proposed by Teck at Myrtle should generate a number of exciting exploration results throughout the year."

Myrtle is one of Australia's ten largest zinc projects, and the only such zinc project not already in the hands of a major mining company

"With drilling at Myrtle soon to get underway, our work at Mt Fisher will continue to push forward in the search for the large gold deposits we strongly feel are present. The structural analysis recently completed has identified a number of new target areas which are based on Yandal belt models, and our initial program to test these should produce some very interesting results." Mr Mulholland said.

Myrtle Zinc-Lead Project, NT

Teck Australia Pty Ltd. (“Teck”) recently completed a 1,200 line kilometre airborne gravity survey using the Falcon system flown at 400 metre line spacing. The survey covered 422 km² of the 669 km² Myrtle tenements.

Preliminary data processing has since been completed, and has identified a number of prospective areas for McArthur River style zinc-lead mineralisation.

Teck has budgeted approximately \$2.1 million to undertake a significant field exploration program during 2012, which includes:

- Falcon Airborne Gravity Survey
- Approximately 2,000m of diamond core drilling
- Regional mapping & target compilation
- Surface geochemistry
- HeliSAM

The drilling campaign is scheduled to commence within the next two weeks.

Teck may earn up to a 70% interest in Myrtle from Rox through the expenditure of \$15 million.

Mt Fisher Gold-Nickel Project, WA

Drilling by Rox in 2011 delineated a JORC compliant mineral resource of 973,000 tonnes grading 2.75 g/t Au for approximately 86,000 ounces of gold.

Structural analysis of the Mt Fisher project was undertaken by SJS Consultants, under the leadership of Dr. Julian Vearncombe. This analysis confirmed a number of targets previously identified by Rox using remote sensing techniques as high priority targets. In addition, a number of new structural targets for gold in settings analogous to those found in the Yandal belt were identified.

An aircore/RAB drilling programme will commence in June and will test a number of these targets.

Metallurgical testwork has been conducted by AMMTEC on a number of the deposits and has returned highly encouraging recoveries from two of the deposits, while the other results were as expected (Table 1).

The testwork examined the leaching and gold recovery characteristics of several potential sources of plant feed, including newly drilled material at Damsel, Moray Reef and Mt Fisher Sulphide, as well as existing material on surface at Mt Fisher consisting of the old tailings and low grade stockpile materials.

Table 1: Metallurgical Test Results

Ore Type	Grind Size P80 (µm)	Head Grade g/t Au	Recovery (%)	NaCN (kg/t)	Lime (kg/t)
Damsel	150	2.46	96	0.50	2.24
	300		94	0.29	1.16
Moray Reef	150	22.1	98	0.25	1.35
	300		98	0.18	1.41
Mt Fisher Sulphide	150	6.25	66	0.57	1.04
	75		67	0.49	1.34
	38		75	0.59	1.34
Mt Fisher Tailings	50 (nominal)	1.28	35	0.32	8.67
	10		42	0.92	8.38
Mt Fisher LG Stockpile	75	0.83	97	0.18	0.53
	150		96	0.22	0.38

The testwork results for the Damsel, Moray Reef and low-sulphide low grade stockpile material from Mt Fisher gave very good recoveries generally > 95%. The testwork result of 75% for the Mt Fisher sulphide material was as expected, based on historic recoveries achieved from the Mt Fisher mine in the late 1980's. The low results from the tailings at Mt Fisher indicate that this material will not be economic to re-treat at current gold prices and operating costs.

- ENDS -

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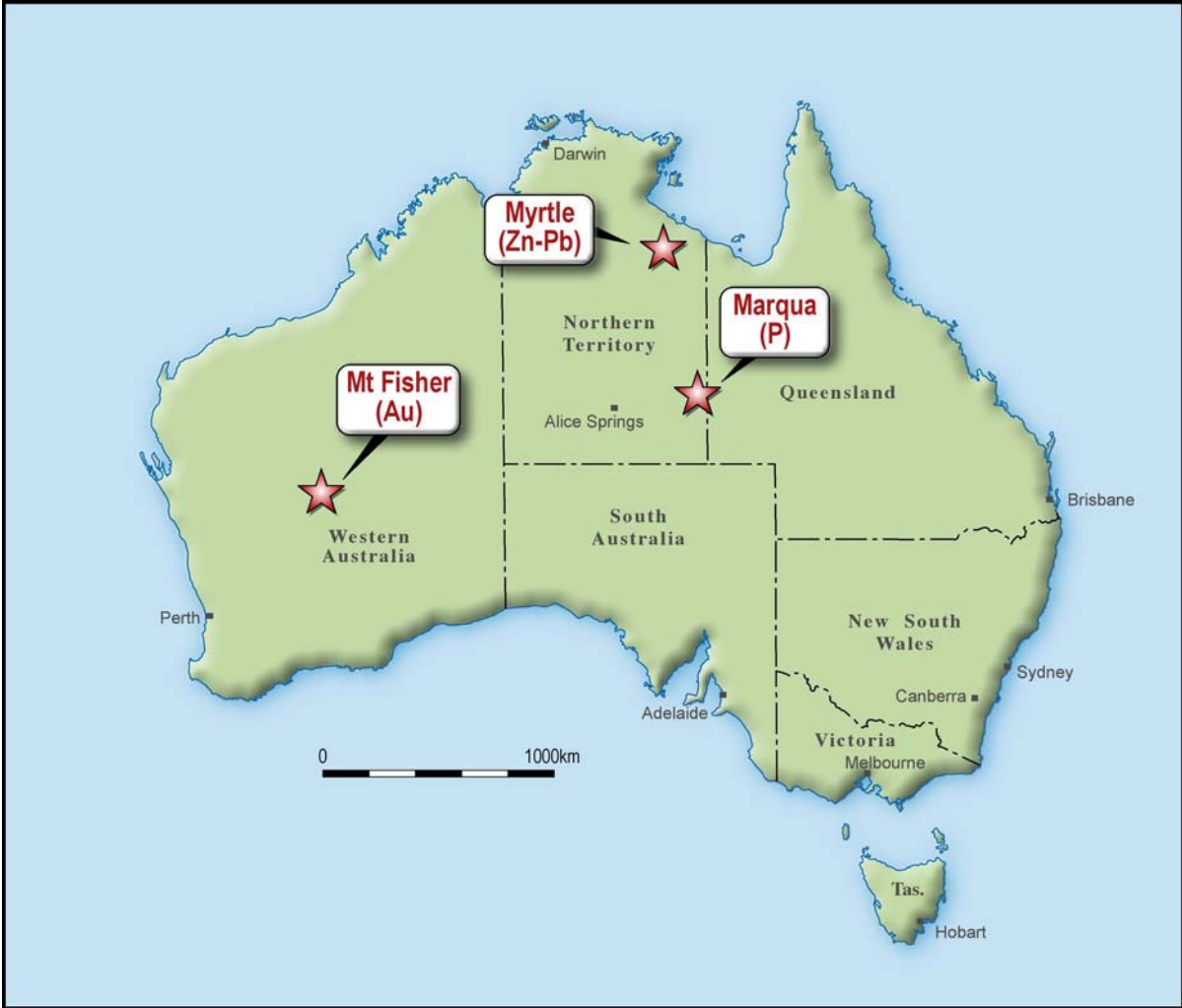


Figure 1: Rox Project Locations

About Rox Resources

Rox Resources (ASX: RXL) is an Australian exploration company with three key projects: the Mt Fisher Gold project in Western Australia, and the Myrtle zinc-lead project and Marqua phosphate projects, both located in the Northern Territory.

At **Mt Fisher**, Rox has acquired a highly prospective area of 615 km², well endowed with **gold**, and with strong potential for **nickel**, only 40km to the east of the prolific Yandal greenstone belt and 100km east of the main Wiluna greenstone belt. In addition Rox has an Option to acquire a further area of 170 km², including the Mt Fisher gold mine which has produced ~ 4,500 ozs of gold from historic underground mining and 22,500 ozs of gold from open pit mining, and is open at depth and down plunge. The total area under exploration by Rox at Mt Fisher is 785 km².

Initial drilling by Rox during 2011 has allowed a Measured, Indicated and Inferred Mineral Resource of **973,000 tonnes grading 2.75 g/t gold** to be defined for **86,000 ounces of gold** (Measured: 171,900 tonnes grading 4.11 g/t Au, Indicated: 204,900 tonnes grading 2.82 g/t Au, Inferred: 596,200 tonnes grading 2.34 g/t Au).

Three parallel structures at the Dam-Dirks prospect define a 7km long gold-in-regolith anomaly which is largely untested at depth, and which already hosts the 54,000 ounce Damsel gold deposit. There are numerous high grade drill results over the project area including 1m @ 187 g/t Au and 3m @ 67 g/t Au at the Moray Reef prospect where a high grade resource of 8,000 ounces grading 7.5 g/t Au has been defined. At the Mt Fisher mine a 25,000 ounce resource has been defined beneath the old open pit.

Rox has signed a joint venture agreement with Teck Australia Pty Ltd. ("Teck") to explore its **Myrtle zinc-lead** project tenements which cover 669 km² adjacent to the world-class McArthur River zinc-lead deposit in the Northern Territory. The terms of the JV require Teck to spend \$5 million to earn an initial 51% interest within 4 years including a minimum of \$1 million and 2,000 metres of drilling by 21 July 2012. Teck can increase its interest in the project to 70% by spending an additional \$10 million (\$15 million in total) over an additional 4 years.

A SEDEX style deposit has been identified by Rox at the Myrtle prospect, where an Indicated and Inferred Mineral Resource of **43.6 million tonnes grading 4.09% zinc and 0.95% lead** has been delineated (Indicated: 5.8 million tonnes grading 3.56% zinc and 0.90% lead, Inferred: 37.8 million tonnes grading 4.17% zinc and 0.95% lead).

Thick drill intercepts of prospective stratigraphy carrying significant zinc-lead grades have already been made but only a small portion of the prospective area has been drilled, and Rox is extremely confident the resource will continue to grow with further drilling. A higher grade core of **15.3 million tonnes grading 5.45% zinc and 1.40% lead** is present, and a large mineralised system is indicated. Several other prospects in the tenement area have similar potential to Myrtle but are at an early stage of exploration.

Rox also owns 100% of the **Marqua phosphate** project in the Northern Territory located 300km southwest of Mt Isa. A 30 km long strike length of phosphate bearing rocks has been identified by surface sampling (up to 39.4% P₂O₅) and drilling (including 6m @ 19.9% P₂O₅ and 5m @ 23.7% P₂O₅), and there is the potential for a sizeable phosphate resource to be present. The project is located only 250 km from the nearest railhead and gas pipeline at Phosphate Hill and covers ~ 2,600 km².

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Ian Mulholland BSc (Hons), MSc, FAusIMM, FAIG, FSEG, MAICD, 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.