

+Rule 3.10.1, 3.20.4, 7.18-7.24, 15.3, Appendix 7A section 9

Appendix 3A.5

Notification of return of capital by way of in specie distribution of *securities in another entity

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Please note that two or more corporate actions on the same *security may not run with different record dates if the timetables result in overlapping (but not identical) ex-periods. It is permissible to run different corporate actions with the same record date except in the case of consolidations or splits which cannot run at the same time as any other corporate action for that entity.

If you are an entity incorporated outside Australia, for *securities other than CDIs / depository interests, please obtain and provide an International Securities Identification Number (ISIN) for the class(es) of *securities to be created during your corporate action. The ISIN(s) should be advised in the Further Information section of this form. Further information on this requirement can be found in the Online Forms section of ASX Online for companies.

*Denotes minimum information required for first lodgement of this form.

**Denotes information that must be provided on or before *business day 0 of the relevant Appendix 6A or Appendix 7A timetable.

The balance of the information, where applicable, must be provided as soon as reasonably practicable by the entity.

If a cash special dividend is paid at the same time as the return of capital the entity must also lodge Appendix 3A.1 – notification of dividend / distribution.

Part 1 – Entity and announcement details

Question no	Question	Answer
1.1	*Name of entity	Rox Resources Limited
1.2	*Registration type and number <i>One of ABN/ARSN/ARBN/ACN or other registration type and number (if "other" please specify what type of registration number has been provided).</i>	ACN 107 202 602
1.3	*ASX issuer code	RXL
1.4	*The announcement is <i>Tick whichever is applicable.</i>	☐ New announcement ☒ Update/amendment to previous announcement ☐ Cancellation of previous announcement
1.4a	*Reason for update <i>Mandatory only if "Update" ticked in Q1.4 above. A reason must be provided for an update.</i>	Change in timing of in-specie distribution
1.4b	*Date of previous announcement to this update <i>Mandatory only if "Update" ticked in Q1.4 above.</i>	31 March 2021
1.4c	*Reason for cancellation <i>Mandatory only if "Cancellation" ticked in Q1.4 above. If information has previously been provided in Part 3D of the form "Preference *security distribution rate details" please also confirm whether the rate changes</i>	

	<i>remain in place for the *security or are also cancelled.</i>	
1.4d	*Date of previous announcement to this cancellation <i>Mandatory only if "Cancellation" ticked in Q1.4 above.</i>	
1.5	*Date of this announcement <i>The date of lodgement of the form by the entity via ASX Online.</i>	25 May 2021
1.6	*Applicable ASX *security code and description for return of capital <i>Please select the *security to which the notification applies. Only one *security can be selected for each form. Consequent changes to option pricing are covered in later parts of this form.</i>	RXL Ordinary fully paid shares

Part 2 – Approvals

Question No.	Question	Answer		
2.1	*Are any of the below approvals required for the return of capital before business day 0 of the timetable? *Security holder approval - Court approval - Lodgement of court order with *ASIC - ACCC approval - FIRB approval; - Another approval/condition external to the entity required to be given/met before business day 0 of the timetable for the return of capital. <i>If any of the above approvals apply to the return of capital before business day 0 of the timetable, please answer 'yes' and provide details at Q2.2. If "no" go to Q2.3.</i> <i>The purpose of the question is to confirm that relevant approvals are received prior to ASX establishing an ex market in the *securities. If the entity wishes to disclose approvals or conditions which are to be resolved at a later date it should use Part 5 "Further information".</i>	Y Security Holder Approval and Positive ATO Class order ruling		
2.2	Approvals <i>Select appropriate approval from drop down box as applicable. More than one approval can be selected. This question refers only to events which take place before business day 0 of the timetable. The purpose of the question is to confirm that relevant approvals are received prior to ASX establishing an ex market in the *securities. The "Date for determination" is the date that you expect to know if the approval is given for example the date of the *security holder meeting in the case of *security holder approval or the date of the court hearing in the case of court approval. If the entity wishes to disclose approvals or conditions which are to be resolved at a later date it should use Part 5 "Further information".</i>			
*Approval/ condition	*Date for determination	*Is the date estimated or actual?	**Approval received/ condition met?	Comments
			<i>Only answer this question when you know the outcome of the approval – please advise on or before *business day 0 of the relevant Appendix 6A or Appendix 7A timetable.</i>	
*Security holder approval	28 June 2021	☒ Estimated OR ☐ Actual	☐ Yes ☐ No	
Court approval		☐ Estimated OR ☐ Actual	☐ Yes ☐ No	

Lodgement of court order with *ASIC		☐ Estimated OR ☐ Actual	☐ Yes ☐ No	
ACCC approval		☐ Estimated OR ☐ Actual	☐ Yes ☐ No	
FIRB approval		☐ Estimated OR ☐ Actual	☐ Yes ☐ No	
Other (please specify in comment section)		☒ Estimated OR ☐ Actual	☐ Yes ☐ No	Positive ATO Class Order ruling
2.3	*Is the return of capital a selective reduction of capital <i>If "yes" please answer Q2.2a and 2.2b, if "no" go to Part 3.</i>		No	
2.4	*Date of lodgement of *security holder resolution approving the return of capital with *ASIC <i>Please provide the estimated or actual date of lodgement of *security holder resolution approving the return of capital with *ASIC (per section 256C(3) of the Corporations Act). If estimated date is provided please provide the actual date by way of an update to this form when the resolution has been lodged with *ASIC. In any case, this lodgement should occur before business day 0 of the timetable.</i>		28 June 2021 Estimated	
2.5	*Date that is fourteen days after date of lodgement of *security holder resolution approving the capital return with *ASIC <i>This date or later is typically the date that the entity announces the effective date for the return of capital – on or before business day 0 of the timetable.</i>		12 July 2021	

Amended 29/06/15

Part 3 –return of capital timetable and details

Question No.	Question	Answer
3.1	**Record date Last day for entity to register transfers on a pre-return of capital basis. <i>The +record date must be at least four +business days from the current date. Per Appendix 7A, section 9 the +record date is +business day 3 in the timetable. This is three business days after the effective date (Q3.1a). Please note that the +record date and the date that trading in the re-organised +securities on an “ex return of capital” basis commences (Q3.3) cannot be changed (even to postpone it or cancel it) any later than 12 noon Sydney time on the day before the previously advised date that trading in the re-organised +securities on an “ex return of capital” basis commences (Q3.3).</i>	22 July 2021
3.1a	Effective date of the return of capital <i>In the case of an equal reduction, not earlier than the day after the resolution approving the return of capital and, in the case of a selective reduction, not earlier than 14 days after the date of lodgement of a copy of the resolution approving the return of capital with ASIC</i>	19 July 2021
3.2	*Does the entity have quoted options on issue <i>If “yes”, please answer Q3.2a, 3.4a, 3.5a & b and 4.5 to 4.6c. If “no” go to 3.3.</i>	No
3.2a	Last day for trading in “cum return of capital” +securities. If the entity has quoted options, last day for trading in pre-return of capital quoted options. <i>Note: if the entity has quoted options in which case the exercise price will change and new holding statements will be issued to option holders</i> <i>This is business day 1 in the timetable, two business days before the record date, and one business day after the effective date.</i>	20 July 2021
3.3	*Trading in the re-organised +securities on an “ex return of capital” basis commences. If the entity has quoted options, and ASX agrees, trading in the quoted options commences on a +deferred settlement basis. If the +securities being distributed in specie are quoted on ASX and ASX agrees, trading in the +securities being distributed commences on a +deferred settlement basis <i>Please note that the +record date and this date cannot be changed (even to postpone it or cancel it) any later than 12 noon Sydney time on the day before the previous date advised.</i>	21 July 2021

3.4	+Record date Last day for entity to register transfers on a pre-return of capital basis. <i>The +record date is three +business days after the effective date. Same as Q3.1 above.</i>	22 July 2021
3.4a	If the entity has quoted options, first day for the +entity to send holding statements to +security holders, notifying them of the change in exercise price for the quoted options they hold. If the +securities being distributed in specie are, or are intended to be quoted on ASX, first day for those +securities to be issued/transferred, and for holding statements to be sent to +security holders notifying them of their holdings. <i>This is one +business day after the +record date – +business day 4 in the timetable.</i>	N/A
3.5	+Issue date If the +entity has quoted options, +deferred settlement market in options ends. Last day for entity to send holding statements to +security holders notifying them of the change in exercise price for the quoted options they hold and to notify ASX that this has occurred. If the +securities being distributed in specie are, or are intended to be, quoted on ASX, last day for those +securities to be issued/transferred, for holding statement to be sent to +security holders notifying them of their holdings, and if necessary, for the issuer to lodge an Appendix 2A with ASX applying for their quotation. ALL EVENTS: <i>This is the date on which the entity will enter the +securities being distributed into holdings of holders entitled to the return of capital. This is five +business days after the +record date – business day 8 in the timetable. Please note that the +issue date cannot be changed any later than 12 noon Sydney time on the previous +issue date advised.</i>	N/A
3.5a	If the entity has quoted options and/or +securities being distributed, trading in the options and/or +securities starts on a normal T+2 basis <i>This is the date on which normal T+2 trading in quoted options and/or +securities commences. This is the +business day after +issue date. This is +Business day 9 in the timetable.</i>	N/A

3.5b	If the entity has quoted options and/or ⁺securities being distributed, first settlement of trades conducted on a ⁺deferred settlement basis and on a normal T+2 basis <i>This is the date upon which first settlement of normal T+2 trading and settlement of ⁺deferred settlement trading occurs in quoted options and/or ⁺securities. This is three ⁺business days after ⁺issue date. This is ⁺Business day 11 in the timetable.</i>	N/A
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Amended 01/12/19

Part 4 – Issue details

Question No.	Question	Answer
4.1	*Is the entity in which *securities are being distributed listed on ASX <i>If “yes”, please answer Q4.1a and 4.1b. If “no”, please answer Q4.1c to 4.1e.</i>	No
4.1a	*ASX name and issuer code of entity in which *securities are being distributed <i>Please provide this detail if applicable and known OR please advise the issuer code of the entity in which *securities are being distributed</i>	ASX issuer code: Issuer Name:
4.1b	*ASX *security code and description for return of capital <i>Please provide details if known.</i>	ASX *security code: Security description:
4.1c	*Name of entity in which *securities are being distributed	Cannon Resources Limited
4.1d	*Registration no and registration no type, of entity in which *securities are being distributed <i>One of ABN/ARSN/ARBN/ACN or other registration type and number. If “other” please specify the type of registration number.</i>	ABN 32 646 149 902
4.1e	*Description of *security being distributed <i>For example fully paid *ordinary shares.</i>	Fully Paid Ordinary Shares
4.2	*The capital return will be on the basis that <i>For example where you distribute one distribution *security for every five *securities held, the answer above is every 1.00 (distribution) *security will be distributed for every 5.00 (held) *securities. To distribute two distribution *securities for every three *securities held the answer is 2.00 (distribution) *securities will be distributed for every 3.00 (held) *securities. An example of how the ratio would affect a sample *security holding can be given at item 5.2 – Further information.</i> <i>If estimated ratio is given please provide the actual ratio on or before *business day 0 of the relevant Appendix 6A or Appendix 7A timetable. Please note that the ratio cannot be changed any later than 12 noon Sydney time on the *record date.</i>	1 *securities in Cannon Resources Limited (name of entity whose *securities are being distributed) will be distributed for every 64 *securities before proposed consolidation (or 4.3 post the proposed consolidation) held in Rox Resources Limited These ratios are Estimated
4.3	*Total number of *securities to be distributed <i>Please provide the total number of *securities to be distributed. If an estimate is provided please provide the actual number by or on the *issue date.</i>	36,450,000 Estimated
4.4	*What will be done with fractional entitlements? <i>Please select the appropriate description of how fractions will be handled. If you do not have a rounding policy please choose “Fractions rounded down to the nearest whole number or fractions disregarded”.</i>	☐ Fractions rounded up to the next whole number ☐ Fractions rounded down to the nearest whole number or fractions disregarded ☐ Fractions sold and proceeds distributed

		☒ Fractions of 0.5 and over rounded up ☐ Fractions over 0.5 rounded up
4.5	*Will the return of capital affect the exercise price of any entity-issued options <i>If "yes" please answer Q4.5a to 4.5b, if "no" go to Part 5.</i>	Yes
4.5a	Return of capital amount per +security used to adjust exercise price of options <i>If an estimate is provided please provide the actual amount as soon as reasonably practicable, and no later than +issue date</i>	0.28c per security Estimated and based on pre-consolidation of Rox Resources Limited

4.5b	Exercise price of options <i>Please confirm the exercise price of options on issue before and after the return of capital. Please provide the amount in the primary currency in dollars (or equivalent denomination for foreign currency). Listing Rule 7.22.3 governs the change in exercise price of options in a return of capital. If there is more than one *security please include the additional *securities.</i>				
ASX *security code	ASX *security description	Quoted/ unquoted	Currency	Exercise price before return of capital	Exercise price after return of capital
RXLAB	Options expiring 31 Jan 2022, ex 1.5c	Unquoted	AUD	\$0.015	\$0.0122
	Options expiring 30 Nov 2022, ex 3.3c	Unquoted	AUD	\$0.033	\$0.0302
RXLAQ	Options expiring 31 Dec 2023, ex 10c	Unquoted	AUD	\$0.10	\$0.0972
RXLAR	Options expiring 31 Dec 2023, ex 12.5c	Unquoted	AUD	\$0.125	\$0.1222
RXLAS	Options expiring 31 Dec 2023, ex 15c	Unquoted	AUD	\$0.15	\$0.1472
RXLAT	Options expiring 26 Mar 2025, ex 7c	Unquoted	AUD	\$0.07	\$0.0672
4.6	*If the entity has quoted options, can quoted option holders participate in the return of capital if they exercise the options by a certain date? <i>If "yes", please answer Q4.6a to 4.6c. If "no" go to Part 5.</i>		No		
4.6a	*ASX quoted option details <i>Please advise the quoted options which may participate in the return of capital if they exercise by the relevant date. More than one *class of options may be advised.</i>		N/A		
4.6b	*What is the date by which options must be exercised to participate in the return of capital?				
4.6c	Description of the date <i>Please provide a description of the date – for example, the day before *record date.</i>				

Amended 07/03/16; Amended 01/12/19

Part 5 – Further Information

Question No.	Question	Answer
5.1	*Has the entity applied for an ATO class ruling relating to this capital return? <i>If “yes” please answer Q5.1a, if “no” go to 5.2. If the ATO ruling is a condition of the event proceeding please include it at Q2.1 and 2.1a –Approvals.</i>	Yes
5.1a	*Please provide further information on the ATO ruling <i>If the ATO ruling is a condition of the event proceeding please include it at item 2.1 and 2.1a – Approvals.</i>	Rox Resources Limited has sought demerger relief advice from the ATO pursuant to Division 125 of the Income Tax Assessment Act 1997 (ITAA 1997) among other matters. The launch of the proposed demerger remains subject to Rox having completed satisfactory engagement with the ATO. There can be no assurance that demerger relief will be obtained.
5.2	Further information relating to this return of capital <i>Please provide any further information relating to this return of capital.</i>	

Introduced 22/09/14, Amended 29/06/15; Amended 07/03/16; Amended 01/12/19