

FOX RESOURCES LTD

ASX: FXR

ABN: 49 079 902 499

Street Address:
Level 1,
9 Bowman Street,
South Perth, 6151
Western Australia

Postal Address:
PO Box 480,
South Perth 6892
Western Australia

Tel: +61 8 9318 5600

Fax: +61 8 9238 1380

Email:
fxr@foxresources.com.au

Web:
www.foxresources.com.au

Projects:

Queensland
Coal

Radio Hill
Nickel – copper

Sholl
Nickel – copper

Ayshia
Copper – zinc

Mt Oscar
JV Iron ore

Star of Mangaroon
Gold

DRILLING COMMENCES ON THE BUNDABERG COKING COAL PROJECT

Highlights:

- **Drilling of the Bundaberg Coking Coal Project has commenced**
- **A heritage survey over the drill sites has been completed with no impediments to drilling identified.**
- **A full “turnkey” contract has been executed with Moultrie Group for geological management, drilling, earthworks, rehabilitation and assaying**

Fox Resources Ltd (FXR.ASX) is pleased to announce it has commenced drilling the Bundaberg Coking Coal Project on EPC 1523 (100% FXR).

The drilling was slightly delayed due to several unforeseen regulatory hurdles and minor delays in undertaking the heritage survey.

Drilling is underway on the first hole, labelled Fox 6 in Figure 1 below, located approximately 4.5km southeast of hole BUN013P on the adjacent tenement that was recently released by International Coal (ICX) on 31 October 2013. That hole intersected 4.16m of coal over a 6.87m interval from 343.44m. Given the interpreted dip and strike of the coal seams in the area it is expected that the first hole will intersect the same stratigraphic position at around 300m down hole.

The drilling sequence for the remaining five holes will be influenced by the observed geology from the completed holes along with any weather related limitations.

The entire drill program is expected to be completed within three weeks. There will be regular updates of the progress of the drilling along with assay results expected early in 2014.

Mr Terry Streeter, Chairman of Fox Resources, said: “The commencement of drilling designed to confirm the continuation of the coal seams intersected by our neighbours is of paramount importance to Fox and we are extremely pleased to report that drilling has commenced.”

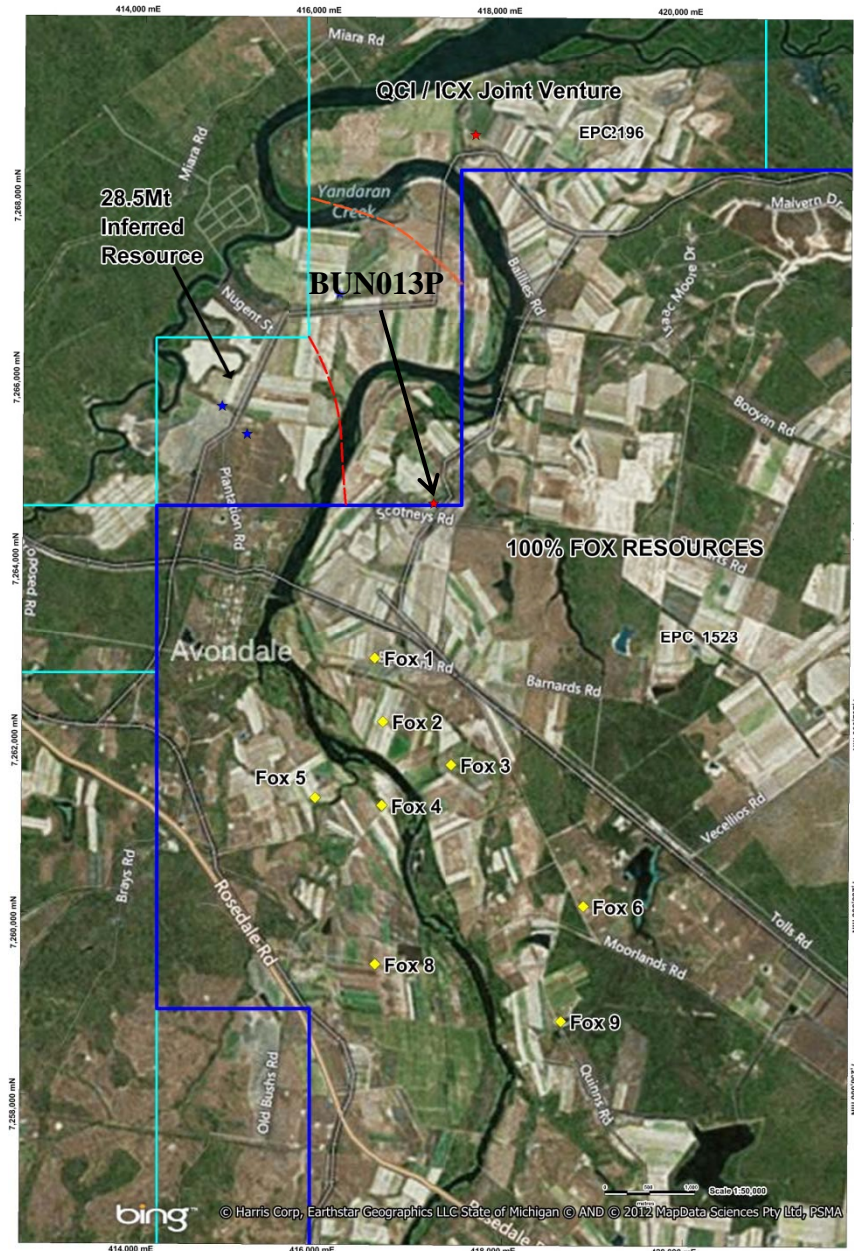


Figure 1: Fox Resources drilling at the Bundaberg Coking Coal project
 Note #1 QCI / ICX JV Resource estimate. ICX ASX release 25th March 2013

Details of the proposed program

The objectives of the drilling program are as follows:

- Drill Six or Seven vertical rotary hammer ;
- All holes will be geologically and geophysically logged;
- Coal chip samples will be tested for moisture and crucible swell number;
- Identify if coal seams:
 - intersected in the adjacent in EPC 2196 (ICX/QCI JV) at depths of 250 - 588m are continuous and extend into Fox's EPC1523;
 - correlate with and are continuous to shallow seams intersected in historical drilling;
- Once completed, a structural model will be generated so as to allow resource estimation;
- Ensure program meets DNRM expenditure commitment on EPC 1523
- Minimal site impact with all holes on cleared non-productive farming land or cleared road reserves.

Fox intends to expand its exploration activities on its existing Queensland coal tenements, acquired in late December 2012 with projects including Bundaberg, Styx, Emerald, Springsure, Alpha, and Eromanga.

Full details of ICX's announcements on the adjacent EPC2196 including the details of the drilling intersections and resource estimate can be accessed via ASX's website www.asx.com.au.

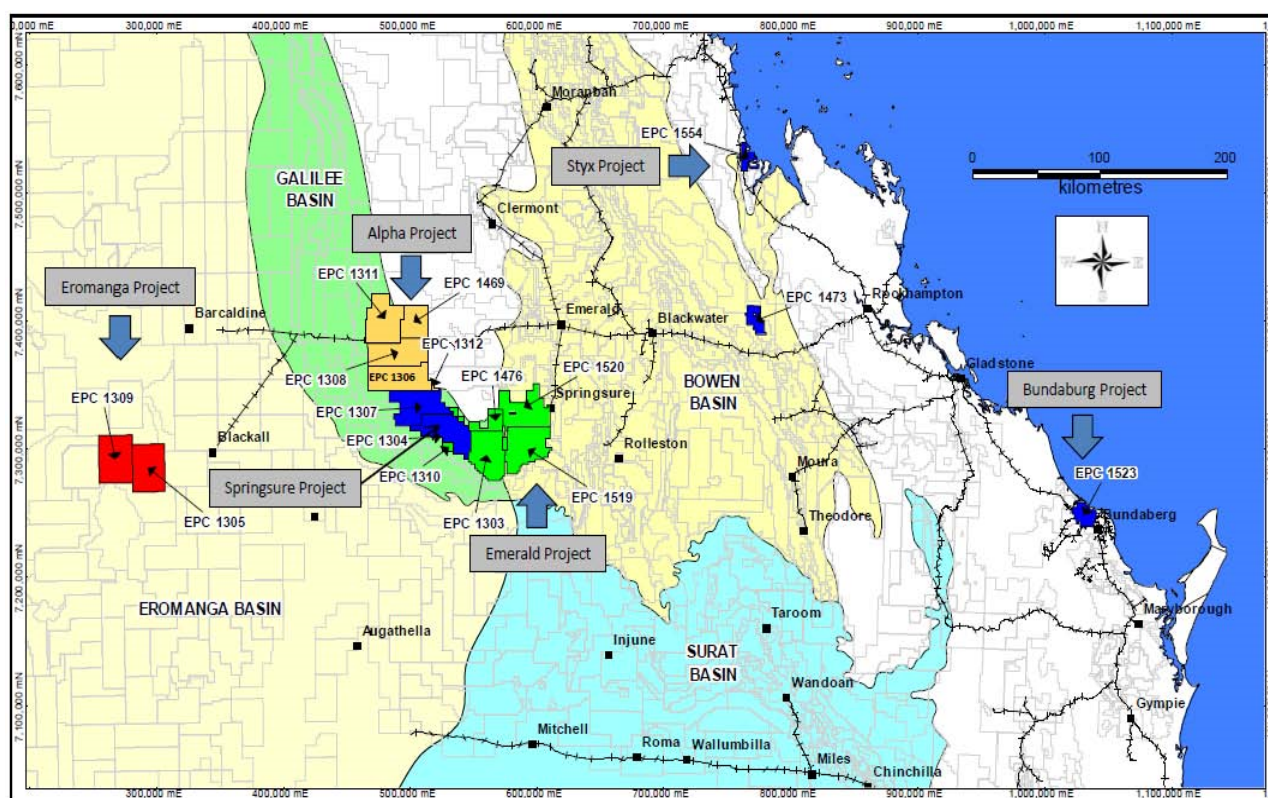


Figure 2: Fox Resources Ltd's Queensland Coal tenements.

For further information, please contact:

Paul Dunbar
Managing Director
Fox Resources Ltd
+ 61 8 9318 5600

About Fox Resources

Fox Resources (ASX: FXR) is an exploration company with substantial exploration interests in the Queensland Coal region and the Pilbara region of Western Australia.

Fox is focused on exploring its Bundaberg Coking Coal Project in southeast Queensland as well as its extensive package of base metals tenements in the Pilbara region of Western Australia. At Bundaberg, Fox is currently drilling a six hole program with the aim of defining a premium hard coking coal resource.

Fox Resources has acquired 100% interests in 16 granted coal exploration tenements (EPCs) and a single EPC application previously held by Currawong Coal Pty Ltd, a joint venture of Cliff's Natural Resources Pty Ltd, Conarco Minerals Pty Ltd and XLX Pty Ltd.

Fox's Western Australian exploration programme also covers a number of prospective base metal and gold targets, Radio Hill, Sholl and Ayshia deposits, and the Pilbara Minerals tenements. In the Pilbara, Fox is aiming to discover high-grade base metal resources to enable its Radio Hill processing plant to resume production.

Forward-Looking Statements: This document may include forward-looking statements. Forward-looking statements include, but are not limited to statements concerning Fox Resources Limited's (Fox) planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should", and similar expressions are forward-looking statements. Although Fox believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.