

## WHUNDO COPPER PROJECT UPDATE

- **Further shallow high grade copper results from Whundo drilling**
- **Reverse Circulation drill rig moves to West Whundo to drill out supergene ore**
- **Metallurgical test work on West Whundo underway**
- **Geophysics highlights potential to discover more massive sulphides**
- **Fox to target nearby Yannery Copper Deposit**

### Whundo Copper Deposit

Fox Resources Limited ("Fox") (ASX code FXR) is pleased to announce further encouraging progress at the company's Whundo Copper Project. Assays (Table 1) have been received for drill holes WHRC030 to WHRC046 from Whundo, 400 metres east of the West Whundo discovery (Figures 1 and 2).

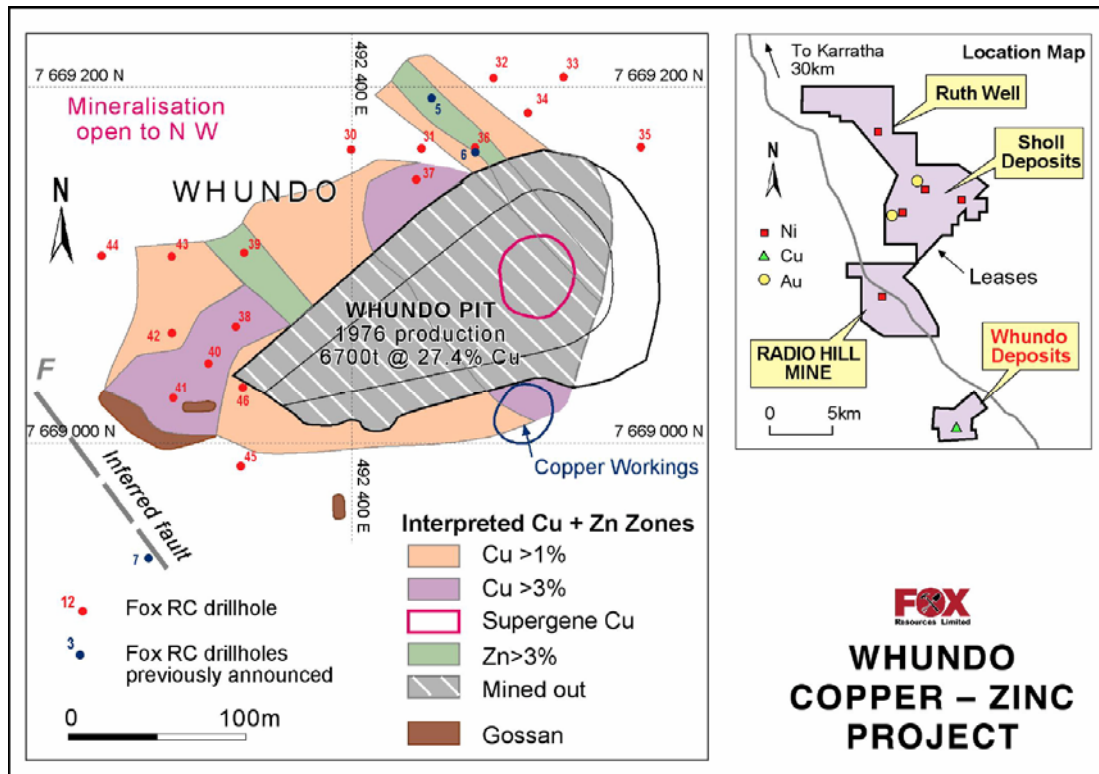
This work tested two concepts,

- 1) The potential for ore in the poorly drilled gap between Whundo and West Whundo, and
- 2) The potential for additional ore outside the Whundo pit shell.

In the gap Fox has discovered a new zone of potential ore close to surface. As with West Whundo, historical drilling from the 1970s had under reported true assay values. With current exploration focused at the company's West Whundo deposit, the results from around the old Whundo pit are very encouraging as they demonstrate that there is potential for a significant increase to the copper and zinc resources currently being identified. Significant new drill intercepts (Table 1) include:

- **12m @ 3.07% copper ; WHRC040 ... from 17m below surface**  
**including 3m @ 6.35% copper**
- **6m @ 2.80% copper; WHRC038 ... from 32m below surface**  
**including 2m @ 5.70% copper**
- **7m @ 2.28% copper; WHRC039 ... from 52m below surface**  
**including 7m @ 8.57% zinc**
- **3m @ 4.74% copper; WHRC037 ... from 89m below surface**  
**including 1m @ 11.10% zinc**
- **3m @ 2.98% copper; WHRC041 ... from 3m below surface**  
**including 1m @ 6.51% copper**

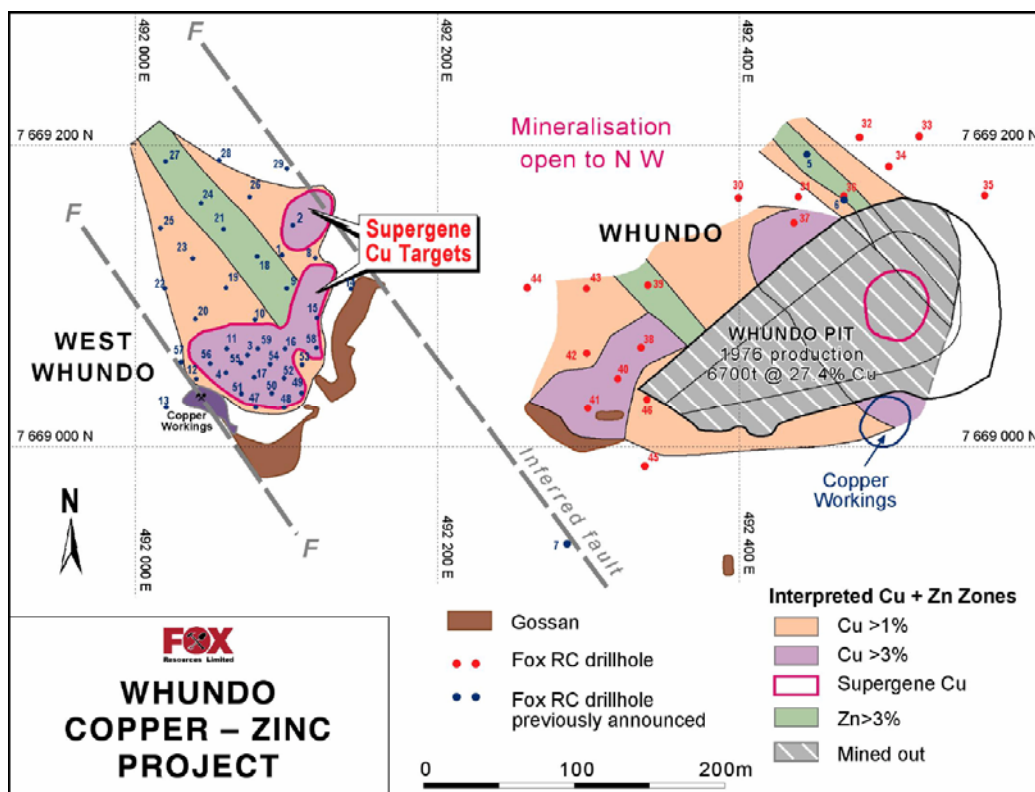
Figure 1 Whundo Copper Deposit



### West Whundo Copper Deposit

Preparations for a second Reverse Circulation drill program at West Whundo have been finalised. A 4,700 metres, 88 hole, program will commence on 24th of September, 2005. As the expected average hole depth is only 53 metres, Fox envisages completion of the drilling campaign by early October, 2005. The aim of the program is to achieve a drill density sufficient for resource and reserve estimations to be carried out. It is expected that these vertical drill holes will also be used for grade control blocking of the high grade supergene copper zone. Ore samples representative of the West Whundo and Whundo deposits have been sent for metallurgical analysis to determine what copper and zinc recoveries can be expected.

Figure 2 West Whundo and Whundo copper deposits



## Whundo Regional Strategy

As previously announced on 16 August 2005, Fixed Loop Electromagnetics (FLTEM) were applied to West Whundo with the aim of testing the application of geophysics in locating additional copper mineralisation. The results of the geophysics test over the known massive sulphide zone at West Whundo proved spectacular in identifying the signature (Figures 3 & 4) for the detection of massive sulphide mineralisation. Geophysics is now scheduled for October to test a significantly greater area on Fox's Whundo mining leases targeting zones of massive sulphide mineralization.

Figure 3. Fixed Loop Geophysics massive sulphide signature over West Whundo

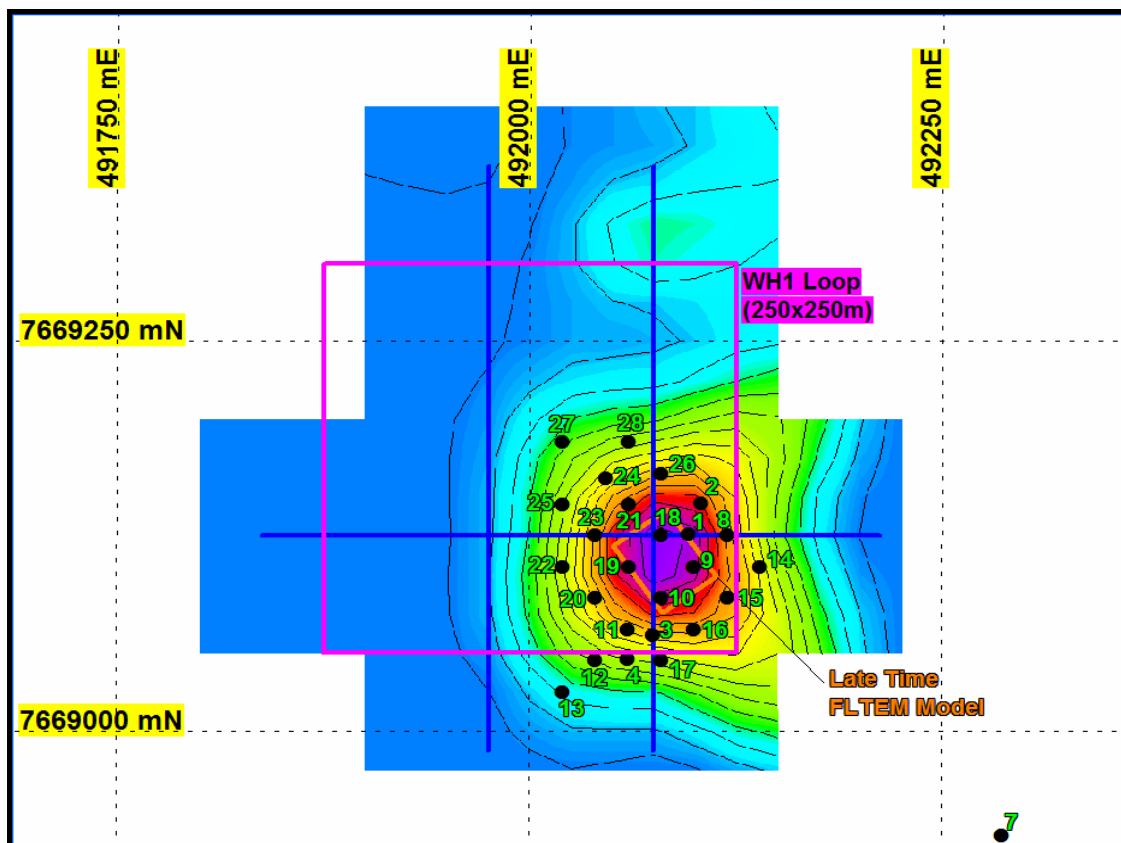
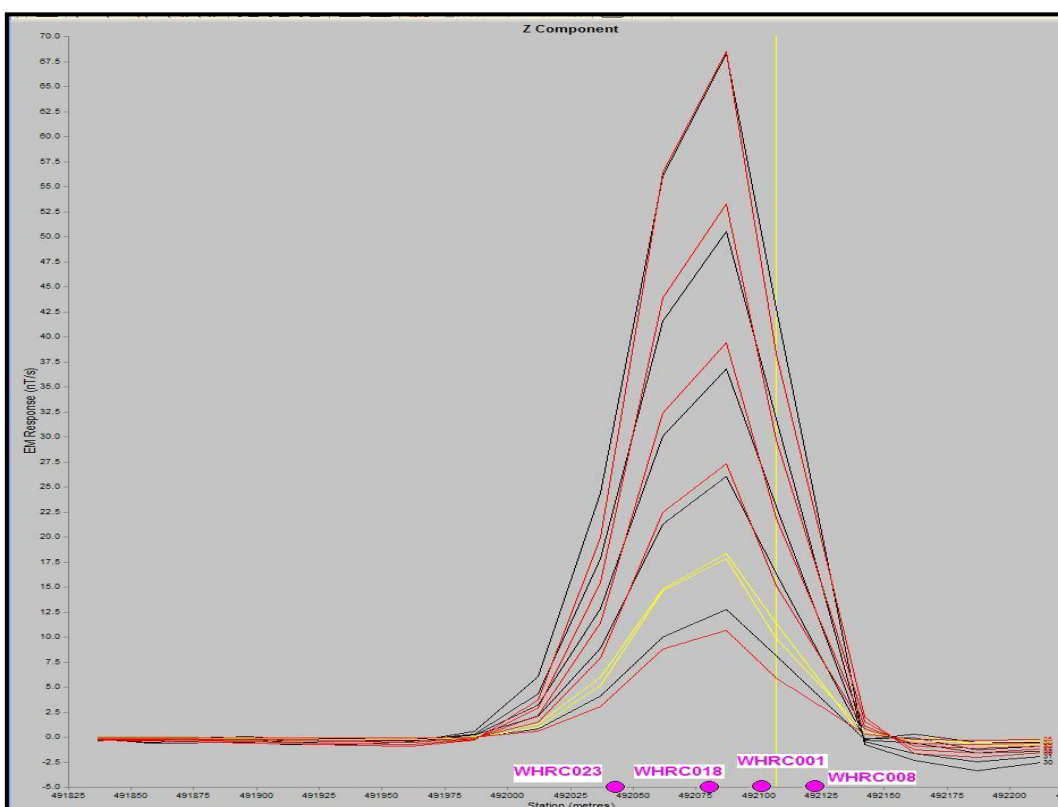


Figure 4. Geophysical response over massive sulphides at West Whundo centered over hole WHRC018



## Yannery Copper Deposit

As part of Fox's regional exploration strategy, geophysics will test the old Yannery copper deposit ("Yannery") located on mining lease M47/9. Yannery is located 900 metres north east of the Whundo Copper Deposit and was first mined in 1913. A total of 477 tonnes of copper ore grading at 42.5 % were produced up until 1920 from the mine and stockpiles. In the 1950s, a further 1,912 tonnes of copper ore were extracted.

Yannery has been under explored and has only been drilled to a limited extent to test the extensions at depth of the gossanous zones.

## About Fox Resources Ltd

Fox is a Top Ten Australian nickel sulphide producer which operates the Radio Hill Nickel Sulphide Mine, located near Karratha in W.A. The project, acquired in September 2002 includes a 180,000 tpa nickel processing plant and a fully developed underground mine with a 1.8 kilometre decline to a depth of 280 metres. Previous owners from 1988 to 2002 have spent over \$60 million in capital and from 1998 to 2002 approximately 20,000 tonnes of nickel and 16,000 tonnes of copper were produced from Radio Hill.

Fox's nickel and copper concentrate production is shipped monthly to China's largest nickel producer, Jinchuan Limited. A feasibility study has commenced into mining and heap leaching of the disseminated nickel resources at Radio Hill and the surrounding Sholl deposits. These deposits contain 40,000 tonnes of nickel and 50,000 tonnes of copper and on successful completion of the study, Fox aims to commence production in the second half of 2006.

Fox also holds in its exploration portfolio exposure to uranium through a joint venture with Redport Limited over the Lake Maitland Uranium Project .

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*The information in this report that relates to exploration results, mineral resources or ore resources is based on information compiled by Mr Ed Mead who is a full-time employee of the company and is a member of the Australasian Institute of Mining and Metallurgy. Mr Mead 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 Mead consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

Table 1: Whundo RC Drilling , Significant Assay Results

Hole		From	To	Metres	Cu%	Zn%	Co%	Ag g/t
WHRC030		81	82	1	0.36	0.24	0.27	3.00
		84	85	1	1.23	0.11		5.00
		86	87	1	1.63	0.17		6.00
WHRC031		no significant intersections						
WHRC032		not sampled						
WHRC033		not sampled						
WHRC034		88	94	6	0.03	1.21		1.20
WHRC035		not sampled						
WHRC036		69	70	1	3.18	6.80		29.00
		85	92	7	1.16	0.56		5.43
WHRC037		75	76	1	2.23	0.68	0.10	24.00
		89	92	3	4.74	0.41		8.33
	includes	89	90	1	11.10	0.95		18.00
WHRC038		32	38	6	2.80	0.14	0.11	14.50
		63	64	1	0.52	1.81		3.00
		79	80	1	1.16	0.15		5.00
	includes	32	34	2	5.70	0.13		30.50
WHRC039		52	59	7	2.28	8.57		12.00
		63	64	1	1.43	0.12		8.00
	includes	53	56	3	1.89	14.02		10.00
WHRC040		17	29	12	3.07	0.13	0.13	26.00
	includes	18	21	3	6.35	0.12		10.00
	includes	23	28	5	2.07	0.04		11.60
WHRC041		3	6	3	2.98	0.01		7.30
		20	21	1	1.04	0.08		1.00
		25	28	3	3.37	0.04		2.00
	includes	4	5	1	6.51	0.01		10.00
	includes	26	27	1	6.87	0.05		1.00
WHRC042		24	25	1	<0.01	1.15		2.00
		36	38	2	0.02	1.54		1.00
		43	47	4	1.49	0.23		9.75
WHRC043		61	62	1	0.05	1.49		<1
		65	66	1	1.86	0.35		10.00
		68	70	2	2.81	1.83		12.00
WHRC044		no significant assays						
WHRC045		78	81	3	<0.01	1.29		<1
WHRC046		56	57	1	0.64	0.05	0.12	1.00
		57	58	1	1.03	0.06		2.00