

22 September 2003

The Company Announcements Office
Australian Stock Exchange Limited
4 Floor
20 Bridge Street
SYDNEY NSW 2000

25 METRES AT 4.4% NICKEL EQUIVALENT

DIAMOND DRILL HOLE UGD148 INTERSECTED 25.4 METRES AT 4.36% NICKEL EQUIVALENT

Fox is pleased to announce the results of UGD148 which were better than expected, which came from an area 135 metres below the surface.

The drilling was designed to test lateral and up dip extensions to massive sulphide mineralisation. This area is only 8 metres from existing underground mine development.

An additional hole, recently completed in this area to better define the massive sulphide mineralisation, has also been successful and will be released to the market in due course.

| Hole | Metres | Nickel | Nickel | Copper | Cobalt | Palladium |
|-----------|-------------|--------|--------|--------|--------|-----------|
| Number | Intersected | % | % | % | % | g/t |
| UGD148 | 25.40 | 4.36 | 3.23 | 1.86 | 0.160 | 2.15 |
| Including | 15.20 | 4.54 | 3.34 | 1.80 | 0.169 | 2.86 |
| Including | 8.86 | 4.71 | 3.52 | 2.25 | 0.168 | 1.24 |

Nickel equivalent: $Ni\% + Cu\% \times 0.33 + Co\% \times 1.91 + Pd \text{ g/t} \times 0.1$

| Hole | Depth | Local | Local | Dip | Azimuth |
|--------|--------|--------|--------|-----|--------------|
| Number | Metres | East | North | | (Local Grid) |
| UGD148 | 135 | 6926.5 | 3760.5 | 7 | 164 |

UNDERGROUND DIAMOND DRILLING TO CONTINUE

Fox is currently diamond drilling underground at it's Radio Hill mining and milling operations near Karratha, Western Australia. The program which will continue through to October and is designed to intercept the projected lateral extensions to the Radio Hill ore body.

In addition the drilling is expected to better define massive nickel sulphide resources and unexploited stringer nickel sulphide resources. This current diamond drill program now confirms the potential that exists for additional massive sulphide and stringer sulphide ore at Radio Hill.

The aim is to prove up additional reserves and resources to be included in the mining development study. Fox is aiming to complete this bankable study by December 2003 and expects production to commence by mid 2004.

Underground diamond drilling results will continue to be updated through this current program.

Yours sincerely

Brett Matich
Managing Director

The technical information contained in this report is based on information compiled by Mr Don Harper who is a fully qualified Mining Engineer (B Eng. Mining AWASM) with over 15 years experience. This person is competent in the field activity being reported on and consents to the inclusion of this information in the form and context in which it appears in this report.