



NEAR-TERM PRODUCTION POTENTIAL

ASX Code

FXR - Shares

FXRO - Options

52WK Share Price Range

A\$0.08 – A\$0.33

Market Capitalisation

A\$76.11M (at \$0.28)

Issued Capital (27 Oct 2009)

271.829M shares

48.052M options

Debt

Bank and Project Debt Free

Board of Directors

Terry Streeter
Chairman

Bruno Seneque

Managing Director

Geoff Clifford

Non-Executive Director

Dr Yulong Tian

Non-Executive Director

Rod White

Non-Executive Director

Top Shareholders (27 Oct 2009)

Jungle Creek Gold Mines Pty Ltd
47,947,165 17.64%

Jinchuan Group Ltd
28,200,000 10.37%

Northmead Holdings Pty Ltd
9,057,355 3.33%

G Santalucia
Investment Pty Ltd
8,191,598 3.01%

UBS Wealth Management
Australia Nominees Pty Ltd
5,885,703 2.17%

Top 20 Holding

47.57%

Share Price Performance



Fox Resources (ASX: FXR) is a minerals developer in the Pilbara region of Western Australia with a suite of base metals, iron ore projects, as well as some recently identified gold prospects. The Company's growth strategy is to add value for shareholders by utilising its dominant and unique position in the region to commercialise resources.

Fox's track record of exploration success and the ability to generate revenue through established processing infrastructure at Radio Hill are key competitive advantages for the Company.

The Company is currently exploring the development of a low cost, value-adding nickel and copper heap leaching operation at the Radio Hill and Whundo projects. The operation would potentially produce high value end products and positive cash flow for a relatively small initial capital outlay – within the next 12 months.

Fox is rapidly progressing the 100%-owned Mount Oscar Magnetite Project (Mt Oscar) towards pre-feasibility stage. The project has initial Inferred resources and a scoping study in June 2009 confirmed that Mt Oscar has great potential for success.

In addition to the suite of prospective projects (10M tonnes of nickel-copper resources) located in close proximity to ports and infrastructure, Fox's long-term association with China's largest nickel producer, Jinchuan Group Ltd, provides the Company with excellent access to the buoyant Chinese market.

New Operating Strategy

- Capitalising on the >300,000 tonnes of stockpiled material to establish an initial 5-year heap leaching operation
- Defining further base metal resources and the viability of this material being incorporated in future heap leach operations
- Implementation of a longer-term production strategy that drives positive cash-flow in the near-term
- Identification of new opportunities for Fox's products in the Chinese markets

Mt Oscar Magnetite Project (100%)

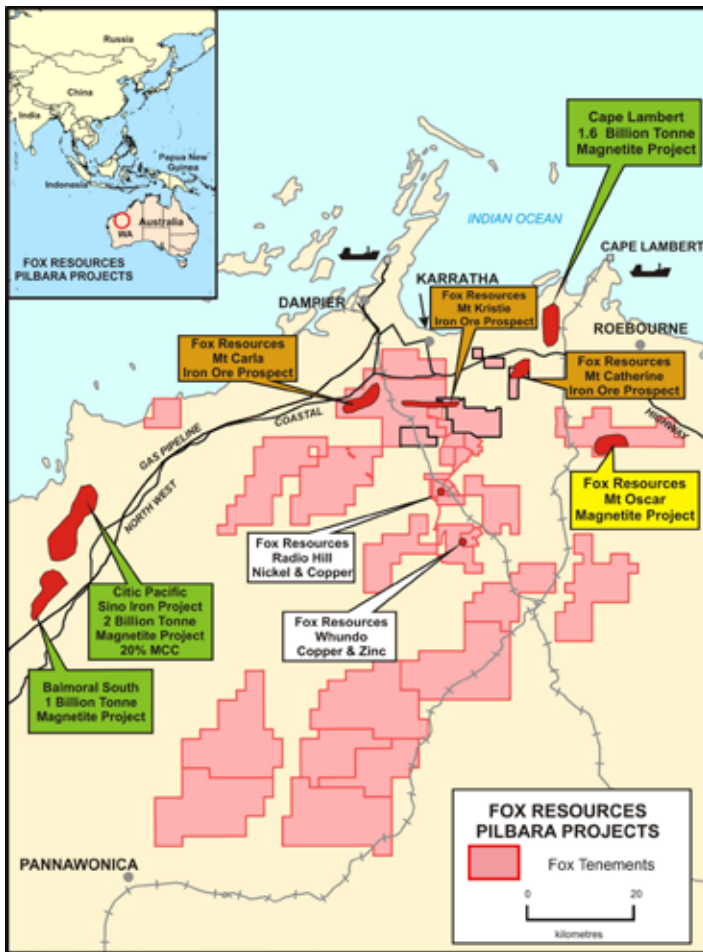
- Discovered in July 2007, highly prospective for magnetite iron-ore mineralisation
- Located 25km south of the iron ore Port of Cape Lambert
- Inferred resource of 72Mt grading 34% Fe (18 March 2009 announcement)
- Nearby Cape Lambert 1.6 billion tonne magnetite project; \$400M sale agreement to Chinese corporation
- The area of interest is a particularly outcropping Banded Iron Formation (BIF), which has a potential 10km strike and is also coincident with a regional magnetic high
- Scoping study highlighted unique advantages in the project's location

Gold Exploration

- New gold potential identified in several of Fox's 100%-owned tenements
- Prospectors with metal detectors have reputedly found 1,000oz of gold in the area
- Significant potential to host one or more gold deposits on Fox tenements (six prospective areas already identified)
- Individual samples returning up to 1,080 ppb Au (1.0 g/t Au)
- Preliminary follow-up on recent discoveries underway

Proposed Heap Leaching Operation

Heap leaching test work at Radio Hill is progressing well and the Company will make a decision, subject to satisfactory recoveries and product specifications, to commence development of the base metals heap leaching operations at Radio Hill this quarter. The development represents a new approach to the Company's assets, with significant cost savings expected due to the absence of mining and crushing required for material stockpiled on surface. The proposed heap leaching operation is very economical with minimal environmental impact.



Radio Hill Nickel and Copper Project (100%)

- Fox remains focused on developing Radio Hill, 35km south of Karratha, WA
- Compilation, validation and re-evaluation of historic drilling and geophysical datasets resulted in updated geological model of Radio Hill intrusion
- Recent drilling upgraded Radio Hill Indicated and Inferred resource estimate to 4.02Mt @ 0.51% Ni and 0.89% Cu (307% increase)
- Resource upgrade enhances the value of the project
- Scoping study on new resource to commence

Sholl Nickel & Copper Project (100%)

- A key deposit for Fox's developing heap leach project, located just 6km north of Radio Hill
- Main mineralisation, Sholl B2, is a 2km long continuous system that remains open to the south
- Total Indicated and Inferred resource of 31,952 tonnes of contained nickel and 37,060 tonnes of contained copper
- A re-evaluation exercise similar to that undertaken at Radio Hill of the Sholl B2 resource, is currently underway
- Compilation and validation of historic datasets for all known mineralisation in the Sholl region, numerous base metal exploration targets identified

West Whundo, Whundo Projects (100%)

- Mining leases in this complex cover ~900 hectares, located 10km south of Radio Hill (strong mining economics)
- The Resources are being interpreted and reviewed with respect to a leaching operation and the potential for additional sulphide mineralisation
- Re-interpretation and modelling have identified exploration targets adjacent to known resources
- Updated resource figure expected before year-end

Nickel-Copper Reserves

Resource Area	Resource Mineralisation	Classification	Tonnes	Ni%	Cu%
Radio Hill ⁽¹⁾	Primary Sulphide	Indicated	1,980,000	0.61	1.04
Radio Hill ⁽¹⁾	Primary Sulphide	Inferred	2,040,000	0.42	0.73
Sholl B2 ⁽²⁾	Primary Sulphide	Indicated	633,000	0.59	0.64
Sholl B2 ⁽²⁾	Primary Sulphide	Inferred	5,324,000	0.53	0.62
Ruth Well ⁽³⁾	Primary Sulphide	Indicated	60,000	0.99	0.87
Ruth Well ⁽³⁾	Primary Sulphide	Inferred	9,000	1.05	0.87
Total			10,046,000	0.53	0.73
Contained Metal (Tonnes)				53,286	73.144

Fox Resources Limited

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Exploration

Exploration remains a core strength for Fox and in October 2008, Fox appointed mineral exploration consultants, Newexco Services Pty Ltd, to help lead the charge. Defining further base metal resources is an important component of Fox's optimisation review of the base metals business. A compilation and re-evaluation of historic datasets including geophysics, geochemistry and drilling over major project areas is ongoing. Revised geological models and new exploration potential already recognised in several areas such as Bertram and Ruth Well. Fox continues to develop a pipeline of projects from conceptual, grass roots through to advanced.

Support from China

Fox continues to have a strong relationship with substantial shareholder and China's largest nickel producer, Jinchuan Group Limited. In April 2008, Fox completed a deal with Jinchuan Group, delivering 11% equity stake in the Company in exchange for \$17.86M. Jinchuan subscribed for 18.8M fully paid ordinary shares in Fox at a premium, 95 cents. A Jinchuan representative was invited to join the board and Dr Yulong Tian accepted as Non-Executive Director.

Corporate

In April 2009, Fox completed a \$3.42M private placement. The placement was over-subscribed, despite a difficult economic climate. More recently, Fox completed an entitlement offer and placement of shortfall shares raising an additional \$6.25M to fund base metals exploration and working capital. Fox has launched a new era for the Company by implementing a new operating strategy and strengthening the team with key appointments to senior management and exploration personnel to drive shareholder value.