



# Fox Resources Ltd

**ANNUAL GENERAL MEETING**

**10 August 2018**





# Disclaimer

The material used in this presentation is intended to be a summary of selected geological data, current and proposed activities, as well as resource estimates based on information available to Fox Resources Limited at the time. It does not include all available information and should not be used in isolation as a basis to invest in Fox Resources. Any potential investors should refer to Fox Resources Limited, website, ASX releases and statutory reports before considering investing in the company.

The information within this presentation relating to exploration activities, Exploration Target and Resources on the Company's projects is based on information compiled by Mr. Mark Biggs who is a member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geosciences. Mr. Biggs is a consultant of Fox Resources and 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Biggs has consented to the inclusion in the presentation of the information in the form and context.

The Company confirms that it is not aware of any new information or data that materially affects the information included in this presentation, that all material assumptions and technical parameters underpinning the estimates in the previous Resource announcements (relating to Coal) continue to apply and have not materially changed.

## Cautionary statement regarding inferred and indicated resources

The production targets, and the revenue and valuation information based on those targets, set out in this presentation are currently conceptual in nature and relate to future production goals based on Fox's current inferred and indicated resources. [While the resources are adequate to support these production targets] the resources are not ore reserves within the meaning of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) and, therefore, it is uncertain whether they can be mined in an economically viable manner in order to achieve those targets. There remains at present insufficient certainty with respect to whether economically mineable mineralisation exists to reliably estimate future production rates.

## Forward looking statements

This presentation includes forward looking statements. All statements other than statements of historical facts included in this presentation, including, without limitation, those regarding Fox's plans, objectives, estimates and targets in relation to the 50% owned Bundaberg EPC 1523 (including development plans and objectives relating to production forecasts), are forward looking statements. Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Fox to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements.

Such forward looking statements are based on numerous assumptions regarding Fox's present and future business strategies and the environment in which Fox will operate in the future. Among the important factors that could cause Fox's actual results, performance or achievements to differ materially from those in the forward looking statements include, among others, levels of actual production during any period, levels of demand and market prices, the ability to produce and transport products profitably, the impact of foreign currency exchange rates on market prices and operating costs, operational problems, political uncertainty and economic conditions in relevant areas of the world, the actions of competitors, activities by governmental authorities such as changes in taxation or regulation and such other risk factors. Forward looking statements should, therefore, be construed in light of such risk factors and undue reliance should not be placed on forward looking statements.



Terry Streeter  
**Non-Executive  
Chairman**



Garry East  
**Non-Executive  
Director**



Bruce Garlick  
**Executive Director /  
Company Secretary /  
CFO**



# Corporate Structure

Ordinary Shares	847.8 million
Options (¢)	nil
Market Cap (\$0.001) On August 2016	AUD \$847,000
Listed on ASX	2002 FXR
Delisted ASX	August 2016

Significant Shareholders	Shares (m)	%
Jungle Creek Gold Mines & Velsberry Pty Ltd	315.9	37.27
Breeton & Zashvin Pty Ltd	92.6	10.93
GTE Superannuation Pty Ltd & G. East	64.9	7.67
Jinchuan Group Ltd	32.9	3.88
Northmead Holdings Pty Ltd	17.9	2.12
<b>Total Issued Shares</b>	<b>847.8m</b>	<b>61.87</b>



# Fox Resources Ltd – Update/Current Position

- In 2018 the drilling program at the EPC 1523 Bundaberg tenement increased the high grade coking coal inferred resource by 32Mt or 31% compared to the 104Mt Inferred Resource completed in the 2014 drilling program
- The updated total inferred resource at EPC 1523 is now 133Mt;
- In December 2017 Fox signed an agreement to combine EPC 2196 with EPC 1523 ;
- Fox concluded the sale of its subsidiary Fox Radio Hill Pty Ltd to Artemis Resources Ltd in May 2017;
- In December 2016 Fox sold 50% of EPC 1523;
- Fox was delisted from the ASX in August 2016;

## **Bundaberg Project in Queensland COKING COAL EPC 1523**

**Inferred Coking Coal Resource 132Mt**

Significant Exploration Target identified

High Quality Coking Coal

Excellent Infrastructure

Divestment alternatives being evaluated

## Maiden Coking Coal Inferred Resource 132.8Mt<sup>1</sup>

### High Quality Coking Coal

- Raw Coal Sampling<sup>2</sup>
  - **<10% Ash**
  - **Calorific Values >7,000 Kcal/kg**
  - Sulphur low (max 0.87%)
  - **CSN 8** for most of the seams
- Clean composite analysis completed
- 20 – 50Mt Exploration Target along strike<sup>3</sup>

Excellent infrastructure in the area including  
existing rail and roads

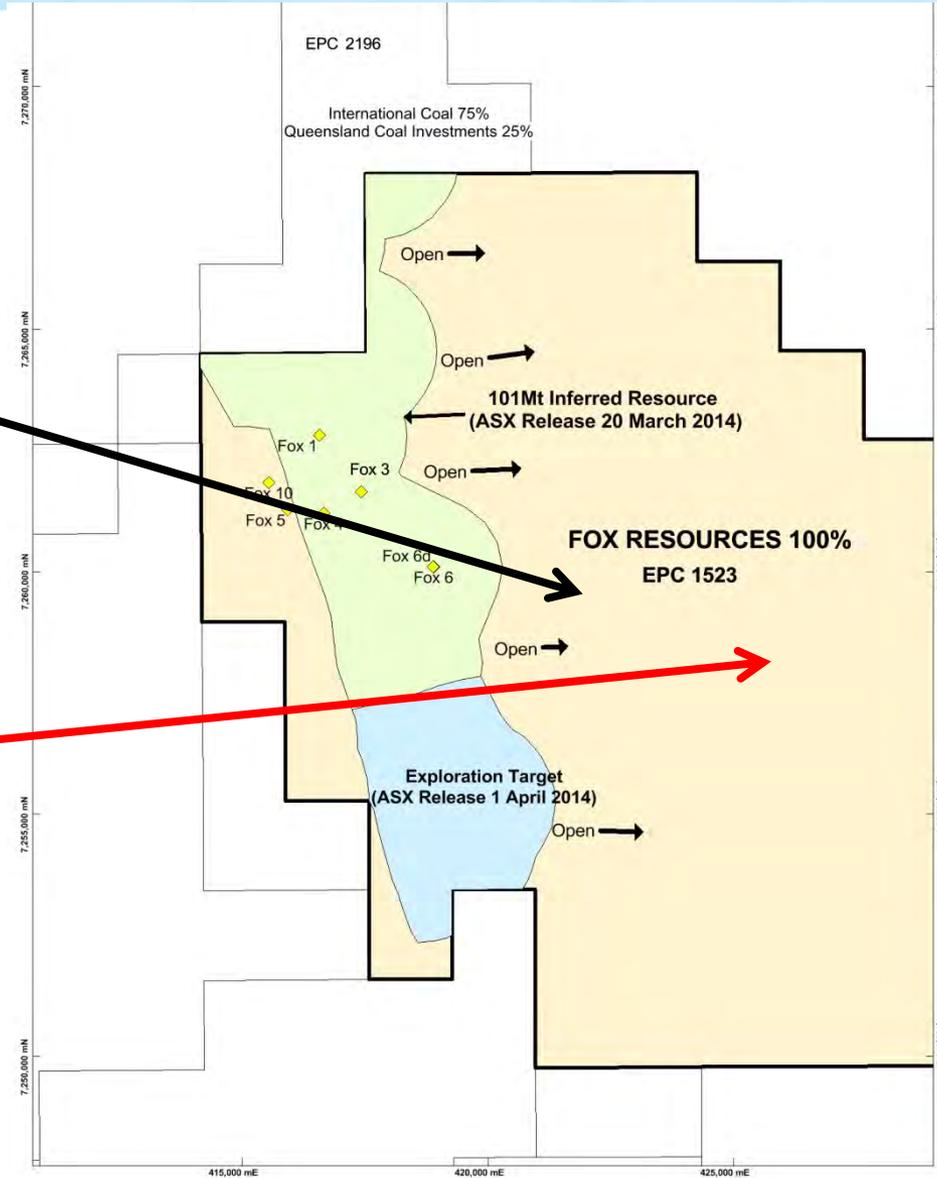
<sup>1</sup> ASX release 20 March 2014, <sup>2</sup> ASX release 14 March 2014, <sup>3</sup> ASX release 1 April 2014 – 101Mt - 30 May 2018 release additional 32.8 Mt  
The Exploration Target of 20 – 50Mt at up to 19% Ash, 24% volatiles, a calorific value of 6750Kcal/kg and a CSN of 6-8 is conceptual in nature as there has been insufficient exploration to date to enable a resource to be estimated and it is uncertain if future exploration would result in a resource being defined.

# Bundaberg Resource EPC 1523



**132Mt  
Inferred  
Resource**

**20 – 50Mt  
Exploration  
Target**



## Resource & Exploration Target

The geological model had developed in conjunction with the exploration data from the recent and historical coal exploration campaigns.

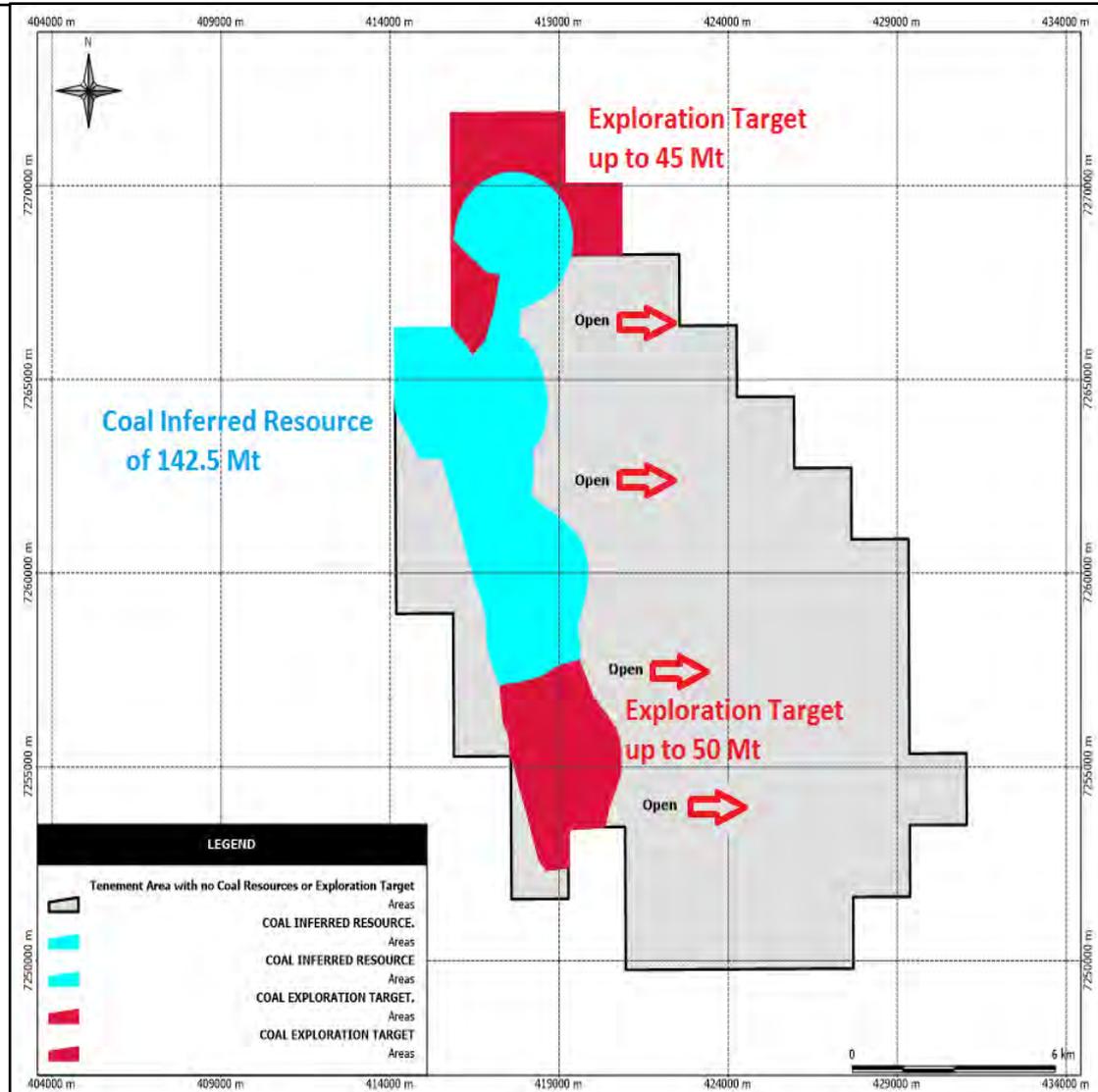
The geological model had been validated and subsequently led to the JORC 2012 compliant categories of:

- An Inferred Resource of 142.5 Mt.
- An Exploration Target of up to 95.0 Mt.

The areas that make up the Exploration Target are to:

- The south, an extension along strike and sub-crop of up to 50.0 Mt.
- The north, an extension down-dip up to 45.0 Mt.

Significant potential exists within the Bundaberg project to transform the coal exploration target areas into a coal resource.





# Bundaberg North Coal Project Future Work

- EPC1523 is Fox's Flagship Project;
- The project requires both EPC2196 and EPC1523;
- Importantly, Fox's EPC 1523 tenement is adjacent to the south-east of this discovery;
- Fox has signed an agreement with the owner of EPC 2196;
- Also of importance is updating the compilation and validation of a database of historical drilling;
- The next exploration program yet to be fully planned and costed;

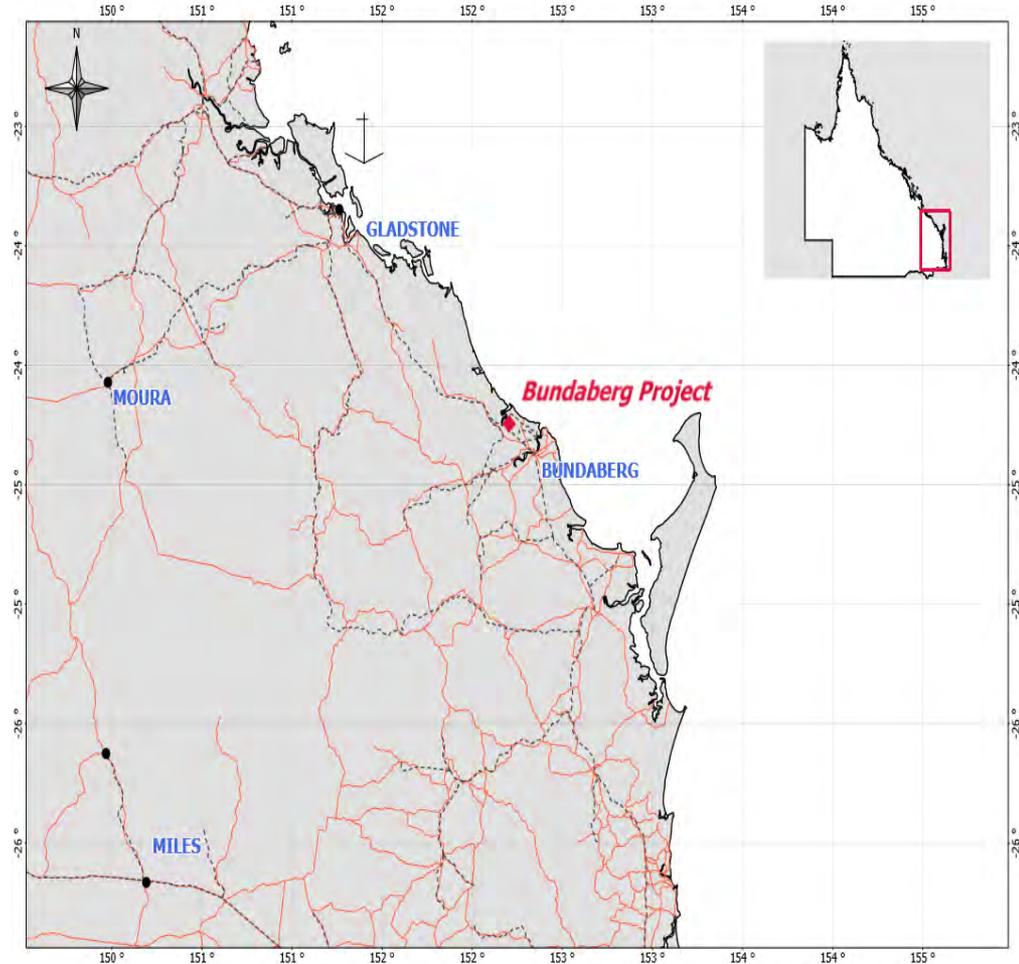
# Bundaberg Project - Project Location

## Project Location

*The Bundaberg Coking Coal Project lies immediately to the northwest of the township of Bundaberg, approximately 385km north of Brisbane in the Maryborough Coal Basin on the coast of southeast Queensland.*

*The Project is well supported with excellent infrastructure, including an existing rail network and port facilities. It is easily accessed via the Pacific Highway, an extensive network of secondary roads and dry weather access tracks.*

*The Project is located in an ideal location to preferentially source labour in a 'lifestyle' mining location on the Eastern Coast of Australia. This fact will be a key asset in attracting and retaining personnel to work on the project once mining commences.*



## Basin Geology

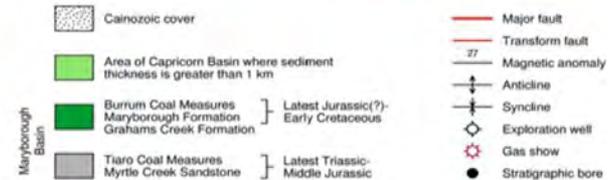
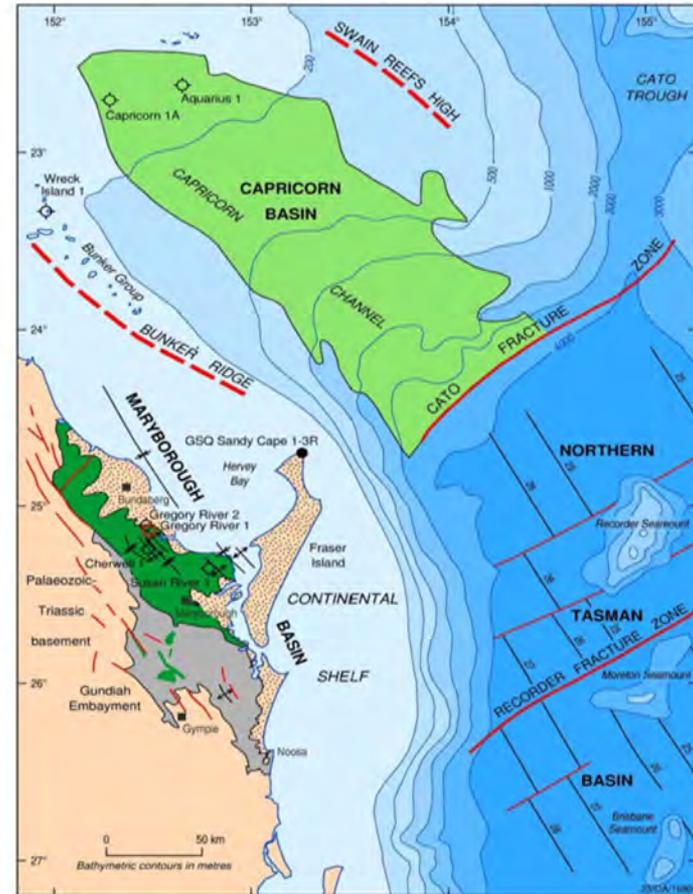
The Bundaberg Project is in a known coal producing region in the north of the Maryborough Basin. The Maryborough Basin contains a number of coal projects, previous mines and a proposed mine, New Hope's Colton Project.

The Maryborough Basin contains sediments from the Late Triassic to the Early Cretaceous, with two coal measures of economic significance:

- The Late to Middle Triassic Tiaro Coal Measures; and
- The Early Cretaceous Burrum Coal Measures.

## Initial Exploration Rationale

The target coal seams for the Bundaberg Project are hosted in the Burrum Coal Measures - the same target seams as New Hope's Colton Project. The Colton Project has been progressing from the current status of a Mining Lease Application towards the granting of a Mining Lease.



# Bundaberg Project - Recent Borecore

## Recent Borecore Programme

Coal seams intersected in the Burrum Coal Measures are low in ash and exhibit bright banding.

Raw Coal Sampling, followed up by Raw Coal and Clean Coal Composite Analytical Testing at Bureau Veritas.

Detailed ply-by-ply sampling has been undertaken in each cored hole and a comprehensive 3-stage analysis procedure devised, as follows:

- Stage 1 Ply-by-Ply proximate analysis;
- Stage 2 Selection of composites followed by sizing and float/sink testing, analyse floats for coking properties;
- Stage 3 Generate clean coal composites (generally CF1.50) and test for a wide-range of thermal and coking coal properties.



Core on table photograph for Borehole BUN006C, shows bright coal

Sample Identification	Geological Information				Ash % (ad)	Volatile Matter % (ad)	Other Analysis			
	Client Sample ID Number	Seam	Depth (m) From	Depth (m) To			Thick (m)	Relative Density (ad)	Total Sulfur % (ad)	Calorific Value (kcal/kg)
BUN006C_QC019_026	GU	240.26	241.34	1.08	9.4	26.9	1.31	0.63	7644	9
BUN006C_QC027_035	GL1	243.30	244.38	1.08	8.7	27.0	1.30	0.52	7686	9
BUN006C_QC036_041	GL2	244.90	245.80	0.90	11.3	26.1	1.31	0.55	7440	9
BUN006C_QC027_041	GL1/GL2	243.30	245.80	2.38	9.8	26.6	1.30	0.54	7578	9

Coal Quality for Stage 3 of Borehole BUN006C

## Recent Exploration

Over \$2.5M already spent on Exploration, drilling campaigns were conducted from 2010 to 2014. 19 boreholes were drilled in the recent drilling campaigns.

Multiple Coal seams intersected, with only seams  $\geq 20\text{cm}$  included in the Stratigraphic Modelling, Resource Estimation and/or Exploration Target definition.

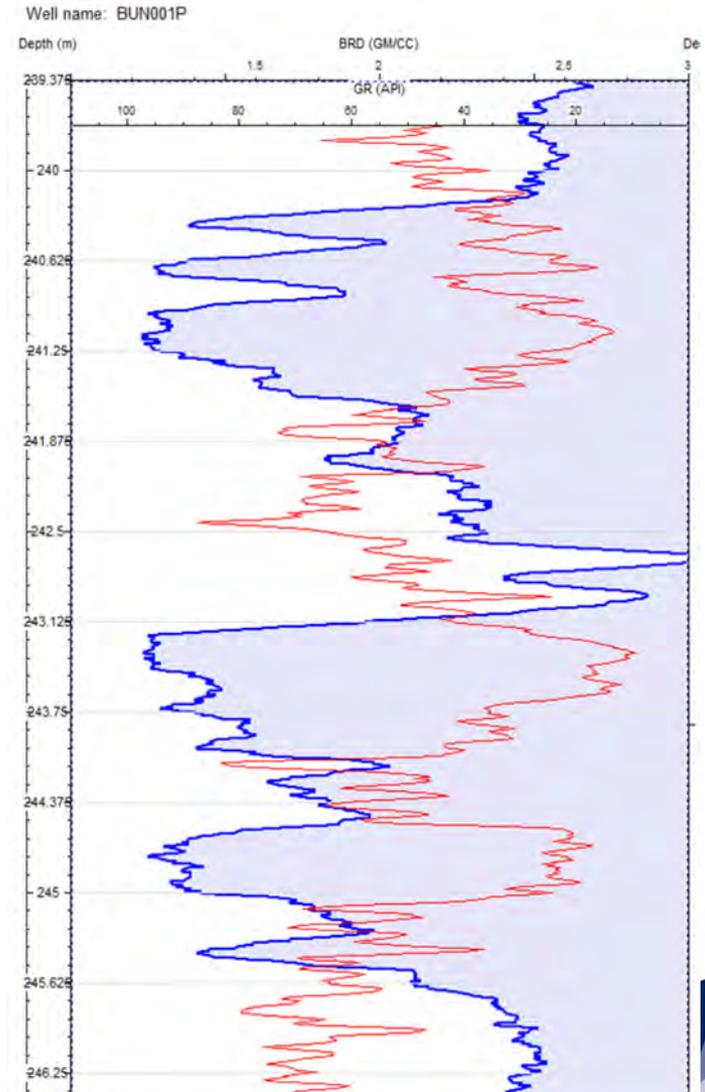
Coal seams up to ~2.5m thick in recent exploration boreholes:

- Seam GU a maximum thickness of 2.50m.
- Seam GL1 a maximum thickness of 2.44m.
- Seam GL1 a maximum thickness of 2.75m.

Recent clean coal composite analytical results at CF 1.50 indicate the following coal properties (on air dried basis) for the GU, GL1 and GL2 seams:

- ✓  $\leq 10\%$  Ash Content
- ✓ 8-9 range for CSN
- ✓ Maximum Gieseler Fluidity of 2,500 ddpm
- ✓ 50%-65% range for Yield

Raw coal quality results within the Bundaberg



## **Power**

- *Excellent power infrastructure in the area.*
- *Limited upgrades and extensions expect to be required.*
- *Multiple options for location of surface facilities.*
- *Excellent access for mine development.*

## **Rail**

- *Close to existing North Coast Line.*
- *Electrified Rail for the North Coast Line runs from Roma St Station to Rockhampton.*
- *Multiple spur line options.*
- *Distance to port of Gladstone via rail 150km.*
- *Capacity available and cost competitive.*

## **Road**

- *Well serviced by existing connections to the nearby Bruce Highway.*
- *High quality sealed road access for transport of equipment and product.*
- *Multiple options for access to rail.*
- *Multiple options for surface facilities.*

## **Port**

- *Bundaberg port is 15kms away or export via 150Km via rail south-east of the Port of Gladstone.*
- *The Port of Gladstone is one of the largest commodity ports in the world.*
- *Gladstone has three export terminals Barney Point, RG Tanna and Wiggins Island Coal Export Terminal or WICET.*

For further information please contact:

**Bruce Garlick**

Chief Executive Officer  
10 Abbotsford St, West Leederville,  
Perth  
Western Australia 6007

Tel: + 61 8 9318 5600  
[fxr@foxresources.com.au](mailto:fxr@foxresources.com.au)

[www.foxresources.com.au](http://www.foxresources.com.au)

