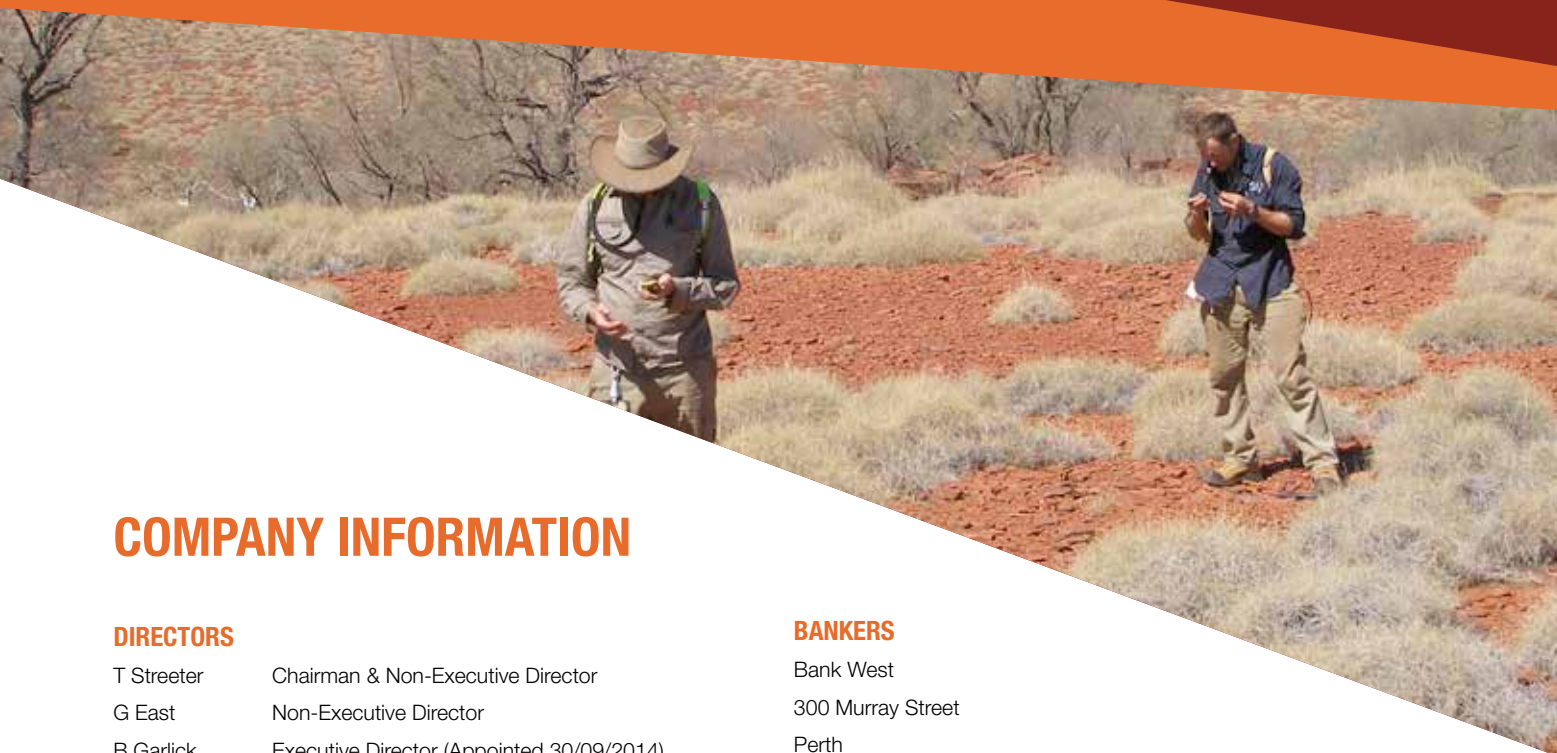




ANNUAL REPORT
2014



COMPANY INFORMATION

DIRECTORS

T Streeter	Chairman & Non-Executive Director
G East	Non-Executive Director
B Garlick	Executive Director (Appointed 30/09/2014)
P Dunbar	Managing Director (Appointed 23/09/2013, Resigned 29/09/2014)
R White	Non-Executive Director (Resigned 2/10/2013)
Y Tian	Non-Executive Director (Ceased 29/11/2013)
J Cooper	Non-Executive Director (Resigned 11/04/2014)

CHIEF EXECUTIVE OFFICER

P Dunbar (Appointed 23/09/2013)
B Garlick (Resigned 6/09/2013)

COMPANY SECRETARY

D Peterson	(Appointed 6/06/2014, Resigned 30/09/2014)
T Farr	(Appointed 6/09/2013, Resigned 6/06/2014)
B Garlick	(Resigned 6/09/2013, Reappointed 30/09/2014)

REGISTERED OFFICE

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Western Australia 6007
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Facsimile: +61 (0) 8 9238 1380
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www.foxresources.com.au

BANKERS

Bank West
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Perth
Western Australia 6000

AUDITORS

Grant Thornton Audit Pty Ltd
Level 1, 10 Kings
Park Road
Western Australia 6005

SECURITIES EXCHANGE LISTING

Fox Resources Limited shares are listed
on the Australian Securities Exchange
(Home Exchange – Perth)
ASX Codes: FXR & FXRO

SHARE REGISTRY

Advanced Share Registry Ltd
110 Stirling Highway
Nedlands
Western Australia 6009

LAWYERS

Kings Park Corporate
Level 2
45 Richardson St
West Perth
Western Australia 6005

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CHAIRMAN'S LETTER

Dear Fellow Shareholder

I am delighted to present your Company's Annual Report for the year ending 30 June 2014.

Over the past twelve months we have made significant progress in a number of areas, especially on our Bundaberg Coking Coal tenements, and the continued exploration program in Western Australia.

The Queensland coal tenements and the Bundaberg coking coal tenement in particular have become a valuable asset for Fox as a result of the successful exploration program undertaken during the year. The Bundaberg Project is located 20kms to the North of Bundaberg contains an Inferred Coking Coal Resource of 101Mt with significant exploration upside both along strike and down dip of the resource. An independent valuation obtained for the recent rights issue provided a preferred value of \$17.1m within a range of \$15.5m and \$21.5m.

The Fox Board has made a strategic decision to focus the exploration efforts of the company in Western Australia, as the upside potential is significant in our view. Accordingly the Board has made the decision to evaluate disinvestment alternatives for the Bundaberg Project, and PCF Capital has been appointed to act as our agent for this sale. The Board's view is that the proceeds will be invested in developing the Western Australian nickel and base metals projects including the Radio Hill, Sholl deposits, the drill ready Osbourne exploration target in the Pilbarra, repay debt, and providing working capital. The Company appreciates Magnetic South's efforts on the Mt Oscar Project which is evaluating opportunities on gold and other base metals.

From a corporate perspective the Company issued a fully underwritten entitlement offer to shareholders which reduced the company's debt by partly converting the loan from Jungle Creek Pty Ltd and other larger creditors converting some of their outstanding debt owing by the Company into shares in Fox. This has resulted in the share capital being increased and the issue of options to shareholders who participated in the offer. This has strengthened the financial status of the company by reducing its debt levels.

Bruce Garlick was recently appointed as an Executive Director, Chief Financial Officer, and Company Secretary; Mr Paul Dunbar has resigned as Managing Director. Mr Garlick is an experienced CPA with over twenty years' experience in the mining industry. The Board welcomes Mr Garlick and believes his experience will be of great assistance to the Company in the future.

Finally on behalf of the Board I wish to thank the entire team at Fox Resources for their hard work over the preceding last 12 months. I would also like to once again thank the Company's long time shareholders for their continued support as well as welcoming new investors who have invested in the Company during the year.

We look forward to a successful year.



Terry Streeter
Chairman

REVIEW OF ACTIVITIES

During the year Fox Resources focused on exploration within the Bundaberg Coking Coal Project located 20km to the north of Bundaberg, Queensland. This work resulted in the definition of an Inferred Hard Coking Coal Resource of 101Mt with significant exploration upside. Work to determine the best path forward for the project continues with various alternatives available to the company. The project has been disclosed as an asset held for sale as at 30 June 2014.

Studies associated with the Radio Hill and Sholl Heap Leach project, remain valid as outlined in the Revised Radio Hill Heap Leach Scoping Study (released August 25 2011), although the project was impaired to nil in 2013. During the year minimal work was conducted on the project due to the low nickel prices during the first half of the year. The recent improvement in the nickel price has provided confidence that with further validation and testing the heap leach development may be a viable alternative to the traditional higher grade nickel (and copper) concentrate alternative. Significant recent advances in the leaching technology may result in a significant reduction in the operating costs used in the Scoping Study; these advances require testing and validation.

In addition to the Heap Leach development alternatives for Radio Hill exploration work has focused on re-evaluation of the extensive data collected from the company's exploration in the area. This has resulted in several high priority targets being identified with these progressing toward drill testing in the coming year. Many of these targets have existing drill intersections of high grade nickel, copper and zinc with the drill spacing around many of these intersections being very wide spaced. Significant potential exists around several of these targets. A large VTEM survey, flown in 2013 and mostly processed, has provided several VTEM targets that have been ground checked. Several of these targets require follow-up ground EM surveys. If these follow-up surveys provide encouraging results they will then be drill tested. These targets are in addition to the re-evaluation of the existing VTEM data covering the 11 tenements that form the basis of the Pilbara Minerals NL Joint Venture (PLS JV).

These underexplored tenements are considered to be highly prospective for massive nickel sulphide deposits and VMS style copper and zinc systems.

Additionally Fox's joint venture partner on its Mt Oscar project, Magnetic South Pty Ltd, undertook significant exploration with for magnetite, gold and base metals.

In 2013 Fox resumed management of the Mt Marie JV tenure from Artemis Resources NL. The Mt Marie tenure is prospective for nickel and copper sulphides and hosts a VTEM / ground EM anomaly that is drill ready. Drilling is planned to commence on that target as soon as a heritage agreement is executed with the local land council and heritage surveys are completed.

During 2013 Fox entered into a number of commercial agreements over part of the Mt Regal tenure that is of interest to quarry operators in the Karratha district. Tenements associated with these agreements are advancing toward the grant which will provide immediate income to Fox Resources and access to possible future royalty income streams.



REVIEW OF ACTIVITIES

REVIEW OF EXPLORATION

Exploration on the extensive Coal projects in Queensland that were acquired in late 2012 was delayed until ownership of the tenements was transferred from the vendors to Fox Resources. The transfer for most of the tenements was completed in September 2013 with exploration on the highest priority tenements, the Bundaberg project commencing in late 2013.

During the year Fox Resources has conducted exploration activities targeting nickel, base metal and gold mineralization on the Fox 100% owned tenements in the Radio Hill Region, the Pilbara Minerals Joint Venture, The Mt Marie Joint Venture and the Mt Oscar Joint Venture tenements. Additionally exploration was conducted on the Mt Oscar Joint Venture for magnetite.

QUEENSLAND PROJECTS

COAL

In late 2012 the Company acquired a tenement package consisting of 16 granted exploration permits for coal (EPC's) and one EPC application covering approximately 10,000 km² within major coal bearing basins of Queensland. These tenements are highly prospective for coking and / or thermal coal (Figure 1 and Table 1). The application has since been withdrawn.

Exploration within the Bundaberg tenement, considered to have the highest potential for coking coal, commenced in December 2013.

Table 1, Details the tenements acquired by Fox Resources, grouped into projects as shown in in Figure 1 below.

Project Name	EPC's	Basin	Target Formations
Bundaberg North	1523	Maryborough	Burrum Coal Measures, Maryborough Formation
Styx North	1554	Styx	Styx Coal Measures, Carmilla Beds
Springsure West	1303, 1304, 1307, 1310, 1476	Galilee	Bandanna Formation, Colinlea Sandstone
Emerald South-west	1519, 1520	Bowen, Galilee	Bandanna Formation, Mantuan Formation, Freitag Formation, Aldebaran Sandstone, Reids Dome Beds
East Alpha	1308, 1311, 1312, 1469	Galilee	Colinlea Sandstone, Joe Joe Group, Aramac Coal Measures
West Blackall	1305, 1309	Eromanga	Winton Formation, Mackunda Formation



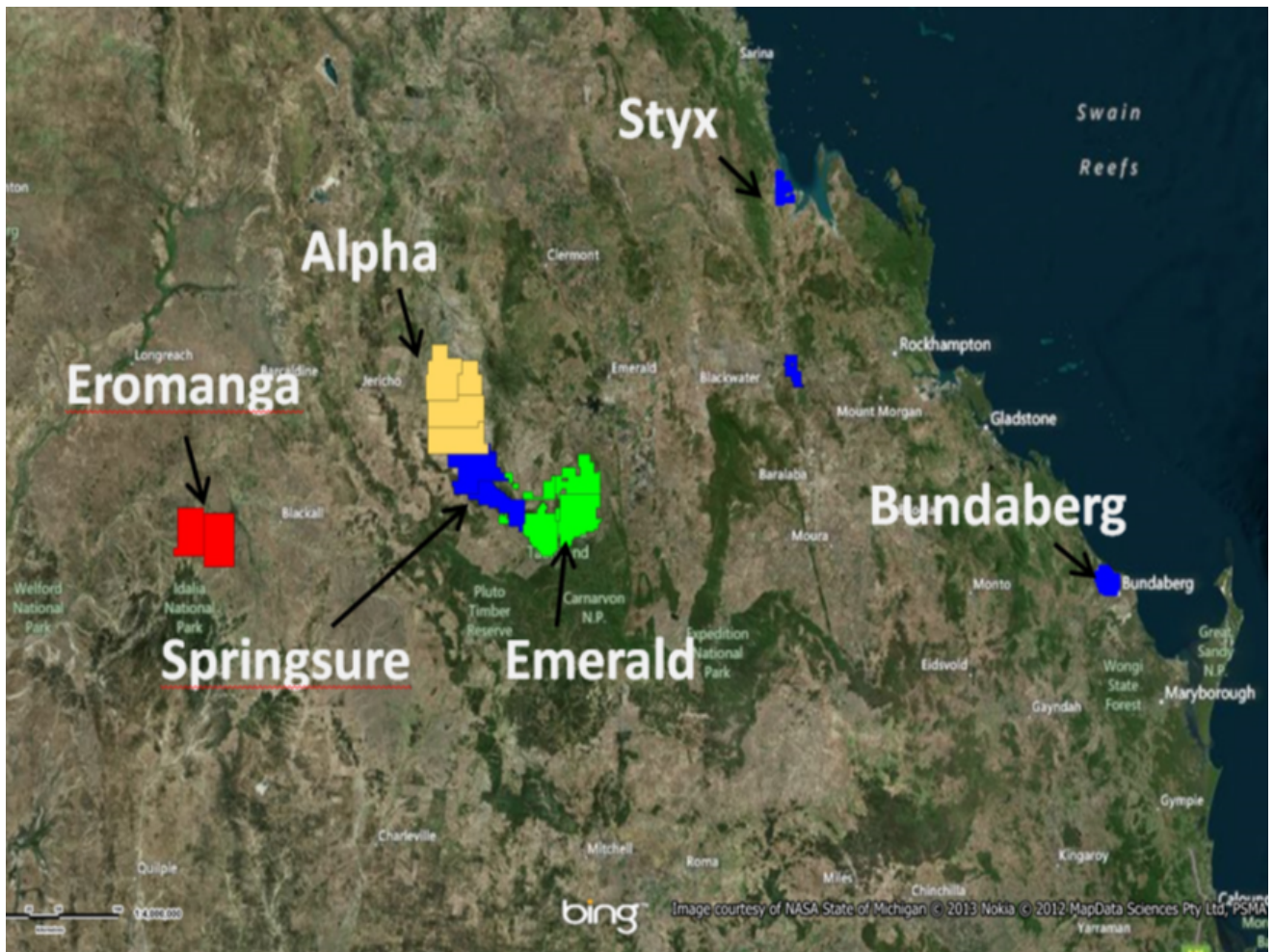


Figure 1: Queensland Coal Projects

BUNDABERG COKING COAL PROJECT, MARYBOROUGH BASIN

The highest priority Project in the coal tenements is the Bundaberg Coking Coal Project (EPC1523) located in the Maryborough basin. The tenement located immediately to the north of the regional town of Bundaberg has excellent infrastructure including sealed roads and existing rail network.

Exploration commenced on the Bundaberg Project in December 2013 with drilling completed in late February. A total of seven holes have been completed in EPC1523 (Table 3 and Figure 2). Significant Coal measures were intersected in Fox 1, Fox 3, Fox 4, Fox 6 and Fox 6D. Holes Fox 5 and 10 intersected the coal measures in weathered rock or the stratigraphy immediately below the target coal measures. This gives the western limit of the coal as the coal measures are interpreted as outcropping at or near the collar locations of Fox 5 and Fox 10.

The Company and International Coal Limited (ICX), the majority holder of the adjacent tenement, announced a data sharing and confidentiality agreement regarding the Bundaberg hard coking coal project which straddles EPC 1523 (100% Fox) and EPC2196 (75% ICX / 25% QCI). This data sharing agreement has allowed the resource estimation to be undertaken on the entire extent of the coal measures.

The Coking Coal Resource, (ASX release 20 March 2014) estimated at an Inferred level of confidence at 101.2Mt is detailed in Table 2 below and the Resource outline shown in Figure 2. The Resource has been estimated in accordance with the 2012 JORC Code (2012) and the draft 2014 Coal guidelines with all information outlined in Appendix 2 of the 20 March 2014 ASX release.

REVIEW OF ACTIVITIES

The initial samples for Coal Quality analysis of the three main seams GU, GL1, and GL2 from Fox 6 released on 14 March 2014 all report raw ash <10% with raw calorific values exceeding 7,000KCal/kg for large sections of the seams. The raw total sulphur was manageable with the highest value 0.87%. A coking coal indicator, raw crucible swell number, returned numbers similar to those released by the ICX/QCI JV in EPC2196 to the north. Large sections of the seam reported raw numbers exceeding 8.0.

The 101.2Mt Inferred Resource at Fox's 100% owned EPC1523 is in addition to the Inferred Resource of 41Mt within the adjacent tenement. (EPC2196 ICX (75%) / QCI (25%) ASX release 2 April 2014)

Figure 2 shows the location of the Fox Resources tenement in the Bundaberg region and the outline of the Inferred Resource for the Burrum Coal Measures within EPC1523 and the extent of the Exploration Target.

Table 2 Inferred Resource Estimates on EPC1523 (100% Fox)

Tenement	Formation	Inferred Tonnage (Mt)	Raw Ash % adb	Raw Volatile Matter % adb	Raw Crucible Swell Number	Raw total Sulphur % adb
EPC1523	Burrum Coal Measures	101.2	19.0	22.5	8.0	0.87

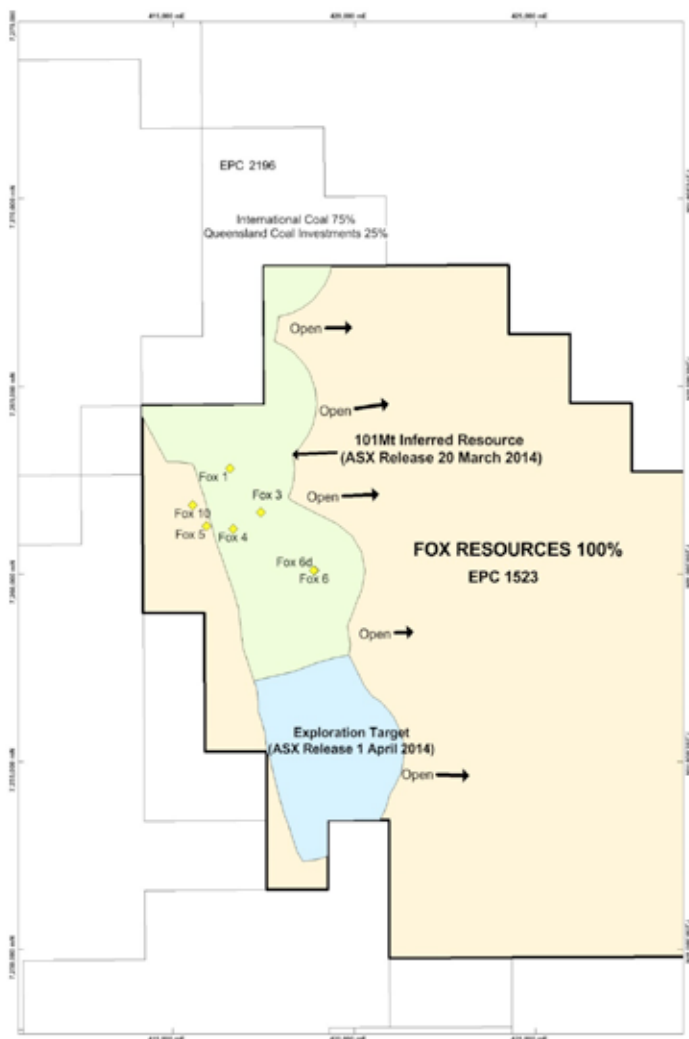


Figure 2: The Bundaberg Project tenement outline and Inferred Resource outline and recent drilling conducted by Fox Resources.

REVIEW OF ACTIVITIES

Table 3: Drill hole details of the recently completed holes within EPC1523.

Hole Number	Easting	Northing	RL	Dip	Azimuth	Depth (m)
FOX 6R	418,887	7,260,098	32	-88	334	406
FOX 6CQ	418,886	7,260,091	26	-89	315	292.27
FOX 4R	416,652	7,261,196	15	-89	314	134
FOX 5R	415,916	7,261,275	17	-87	302	304
FOX 10R	415,536	7,261,830	11	-88	320	232
FOX 1R	416,587	7,262,798	19	-90	0	251
FOX 3R	416,431	7,261,651	12	-90	0	298

Table 3 - Notes: the coordinates are GDA 94 zone 56 and were obtained from a hand held GPS with a nominal accuracy of +/- 3m, the RL from this type of GPS is not considered accurate. All drill holes are vertical.

During the process of completing the Inferred Resource detailed above, a significant strike extension to the coal seams was identified. Due to this newly identified strike extension an Exploration Target has been identified of between 20 and 50Mt of coal. Importantly it should be noted that this Exploration Target is conceptual in nature; insufficient work has been conducted in the area for a Resource Estimate to be conducted and it is uncertain if future exploration would enable a Resource to be estimated.

This Exploration Target, detailed in Table 4 and shown in Figure 2, is in addition to the 101Mt Inferred Coking Coal Resource.

Table 4 Exploration Target on EPC1523 (100% Fox).

Tenement	Formation	Seams	Exploration Target Tonnage (Mt)	Raw Coal Ash (%adb)	Raw Volatile Matter (%adb)	Raw Calorific Value (Kcal/kg GAD)	Raw Crucible Swell Number
EPC1523	Burrum Coal Measures	GU, GL1, GL2, H1	20 – 50	19.0	24.5	6750	6-8

Multiple historical drill holes within the identified strike extension have intersected the main coal measures that constitute the 101Mt Inferred Resource Estimate to the north, identified as the GU, GL1 and the GL2 seams. Significantly several of the historical drill holes in the strike extension were not drilled to a sufficient depth to intersect these prospective seams.

The Exploration Target is based on the limited drilling within the strike extension of the coal seams, the recently announced Resource immediately to the north of the Exploration Target and other exploration that has been conducted in EPC1523. The Exploration target does not include any down-dip extensions of the coal seams nor does it include some conceptual targets that occur to the east of the Inferred Resource.

Further work is being planned within the Bundaberg tenement both within the Exploration Target with the aim of improving the geological understanding of the coal seams in the area for possible resource estimation in the future but also within the Inferred Resource with the objective to increase the confidence in the Resource Estimate toward an indicated or measured category along with some conceptual targets within EPC1523.

REVIEW OF ACTIVITIES

Figure 3 (below) Illustrates detail from the cored hole at the GL1 seam level with a composite picture of the core photos from 275m and 277m compared to the downhole geophysical response over the same interval while Figure 4 shows a detailed view of the cored coal, illustrating that within each coal seam there is little banding.

Figure 3: Fox Resources FXRBU006Q Core photos compared to downhole geophysics

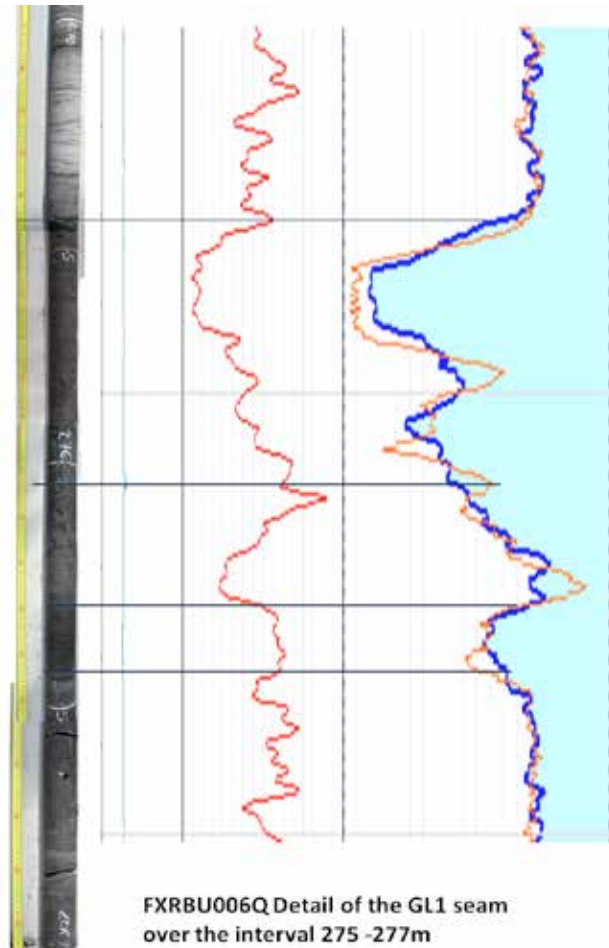


Figure 4: Fox Resources FXRBU006Q Core photo detail 275.5 TO 276m

WESTERN AUSTRALIAN PROJECTS

Fox has a total of five separate projects within Western Australia, (Figure 5) these being the flagship project for the company, the Radio Hill and surrounding tenements and Joint Venture projects including Mt Oscar, Mt Marie and the Pilbara Minerals Projects all in the North West Pilbara region and the Star of Mangaroon gold project in the Gascoyne region. These projects are prospective for nickel, base metals, gold and magnetite.

RADIO HILL NICKEL & COPPER PROJECT (100% FXR)

On 25 August 2011, Fox Resources announced a revised scoping study detailing mining and processing methods for the Radio Hill and Sholl mineral deposits.

In 2012 Economic and geological remodeling of Radio Hill using lower cut off grades commenced with the aim to assess the economic viability of the deposits at lower grades as well as defining potential drill targets within the Radio Hill ore system. In late 2013 mainly due to the depressed nickel price during much of the year, the focus was on higher grade potential and extensions of the known massive sulphide targets. This work has resulted in several high priority higher grade targets being identified for further drilling.

The low grade Heap Leach processing alternative remains technically viability however until a sustained improvement in the nickel price is achieved the conventional processing flowsheet remains the most financially robust processing alternative for the mineralization within the region.

The outcomes quoted in the scoping study were derived from a Resource Estimate conducted by Snowden in 2009 using a cutoff grade of either 0.5% Cu or 0.5% Ni. The existing solid geological model, Figure 6, shows these ore zones and underground infrastructure. Several high grade nickel intersections occur within 300 – 400m of the existing underground infrastructure. Should these high grade intersections provide exploration success then a low capital cost toward recommencement of mining at Radio Hill may prove possible.

Geological Targeting

Late in the year the Company's exploration was focussed on evaluation of its tenure, prospects and resources. The outcome has been the prioritisation of more advanced activities including the potential extensions of and adjacent historical targets around the Radio Hill and Sholl nickel copper projects along with the Ayshia and East Whundo copper/zinc resources via planned drilling. The use of downhole electromagnetics has been recommended for use in delineating off-hole conductors to maximise future targeting.

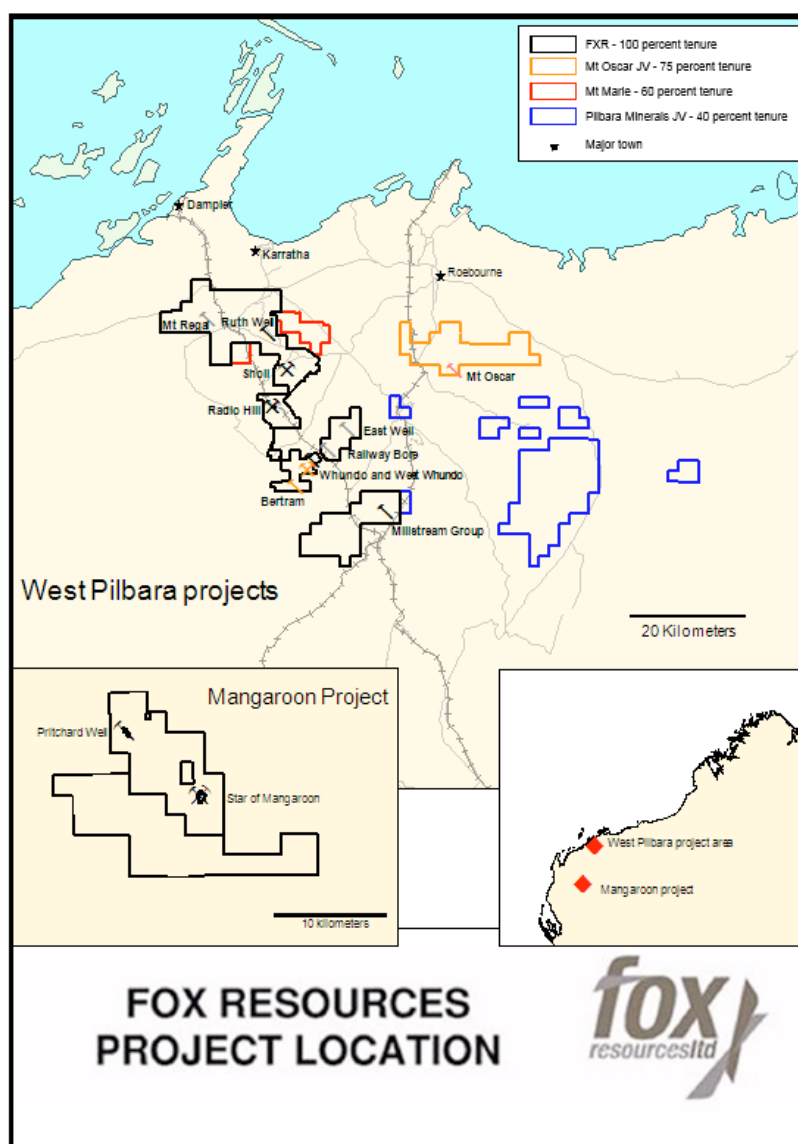


Figure 5: Fox Resources Western Australian Tenement location plan

REVIEW OF ACTIVITIES

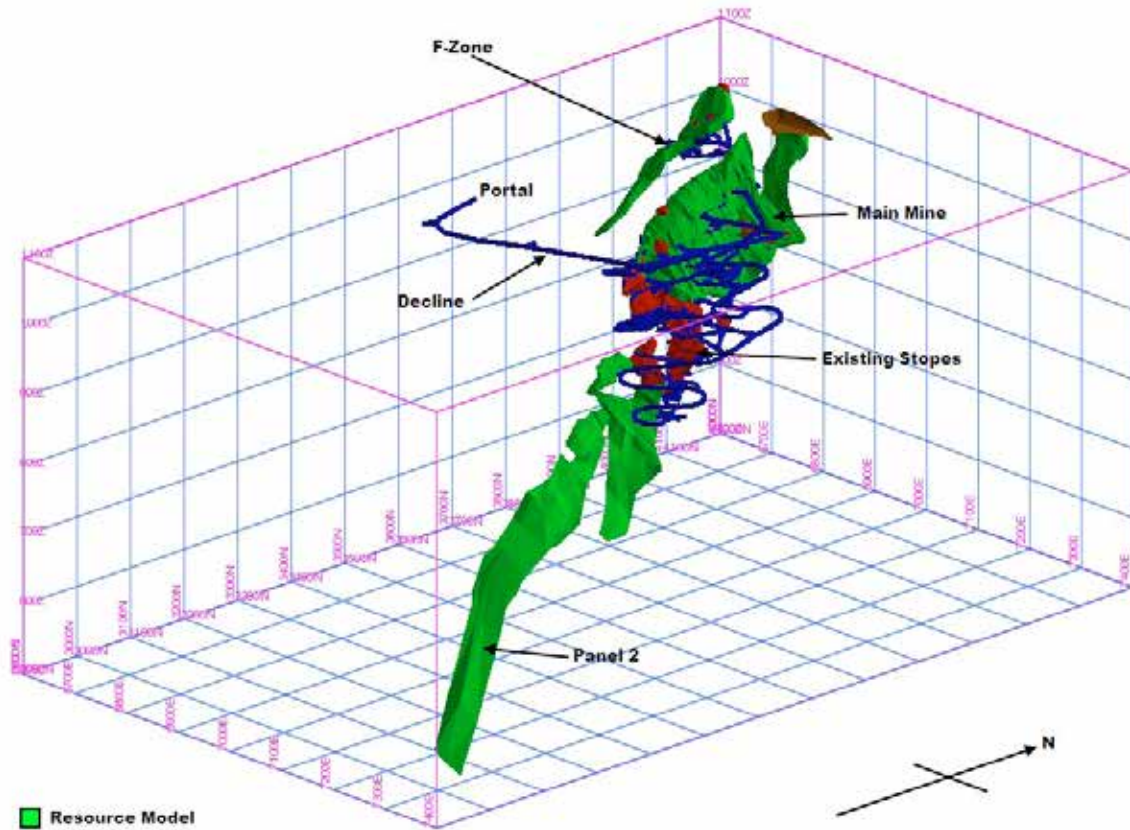


Figure 6: Radio Hill mineralisation and mine infrastructure models, looking northwest. Green indicates unmined mineralisation, red indicates mined areas, blue indicates mine development.

SHOLL (100% FXR)

As a part of the Radio Hill Heap Leach scoping study the Sholl B2 deposit was modeled at cut-off grades down to 0.3% Ni equivalent with the aim of testing the sensitivity of the project to lower cut-off grades and higher tonnages. As with the total Heap Leach project work on the low grade alternative ceased during the 2013. The Sholl deposit has significant potential for high grade massive nickel mineralization, Work in the past year has been aimed to identify high priority targets for further evaluation in the coming year. Historical exploration has intersected several zones of continuous high grade nickel and copper mineralization over a significant strike length; these will be the focus of exploration activities in the coming year.

The existing 3-D model of the Sholl B2 deposit is presented in Figure 7.

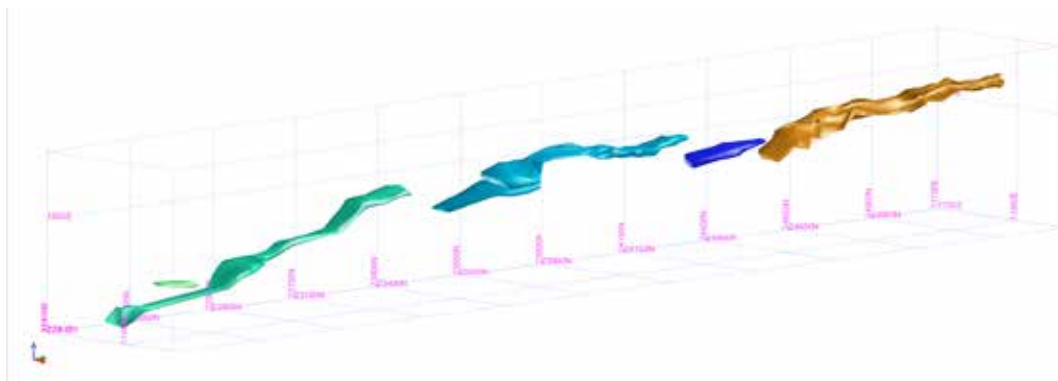


Figure 7: Sholl B2 mineralisation model, looking north-west. The mineralisation model approaches to within 30m of the surface in the north-east (right), and plunges shallowly to the south-west (left).

REVIEW OF ACTIVITIES

EAST WELL (FXR 100%)

The East Well tenement covers the north-east extension of the Whundo trend and is prospective for VMS style copper-zinc mineralisation as seen at Whundo and Ayshia to the south west, the tenement is also prospective nickel and gold. The presence of classic VMS style mineralisation in the area

Previous exploration within the East Well area has been successful in delineating several significant results, many of which require systematic follow-up exploration. The current focus of exploration is the identification of potential VMS systems. Initial targets have been identified from historical exploration activities and initial early stage exploration is planned for late 2014. The initial exploration would consist of soil sampling over geologically identified targets along with re-processing historical geophysical survey data. If the preliminary work proves successful then additional ground geophysical surveys will be completed to allow to drill targeting.

Figure 8 shows the broad geological relationship between the Whundo trend and the East Well tenure.

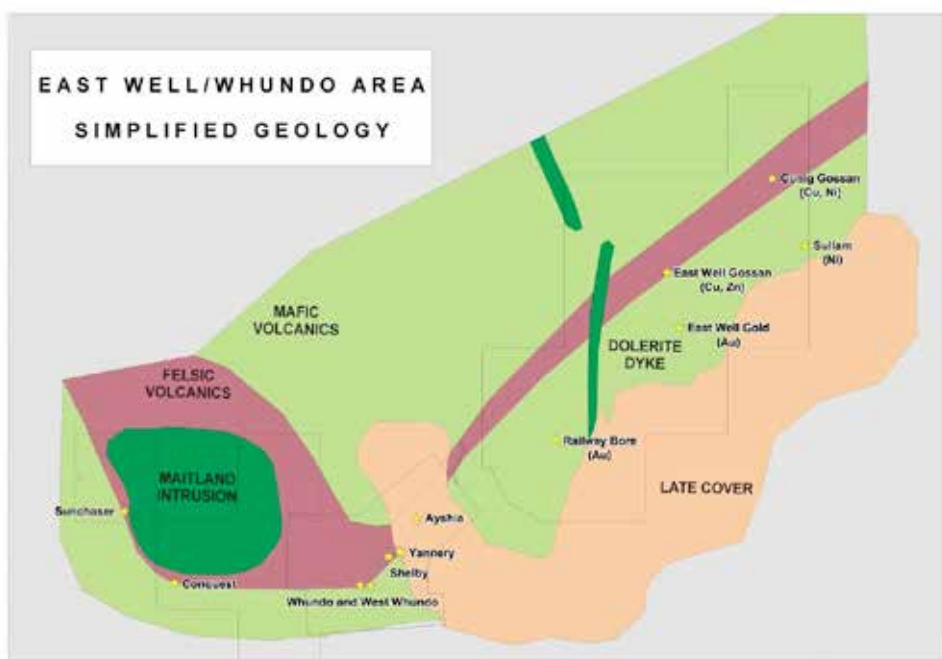


Figure 8:
East Well Prospects and the
Whundo Trend

PLS JV (FXR 40% EARNING UP TO 80%, PILBARA MINERALS 60%)

The Company continues to evaluate the eight prioritised VTEM anomalies that have been ground checked and validated. The exploration plan will be refined to undertake ground based moving loop EM surveys when ground based surveys are conducted on other targets within the West Pilbara.

Additionally a review of the current ground holding and its prospectivity, was completed in early July. Most of the tenements have been significantly reduced while retaining all of the high priority targets. These tenements are prospective for a variety of Nickel sulphide and VMS styles of mineralization and provides opportunities to enhance Fox's existing exploration prospects.

MT MARIE JV (FXR 69.85%, ARTEMIS RESOURCES 30.15%, DILUTING)

During the year the Mt Marie JV tenure consisted of three tenements, E47/1806, E47/1807 and E47/1878. In May 2013 Artemis elected to discontinue their earn-in for the Joint Venture leading Fox to resume management of the project.

The Mt Marie JV tenements E47/1806 and E47/1807 host a number of VTEM anomalies prospective for base metals. Two of these anomalies, named Osborne and Hickmott, have been developed as drill targets (Figure 9). The Osborne target being a very high priority target and a work program has been submitted enabling the target to be drilled as soon as possible. The remaining VTEM anomalies have been ranked and evaluated in field visits and will be tested with ground based EM surveying. The exploration potential of E47/1878 was evaluated during the year resulting in E47/1878 being surrendered in July 2014.

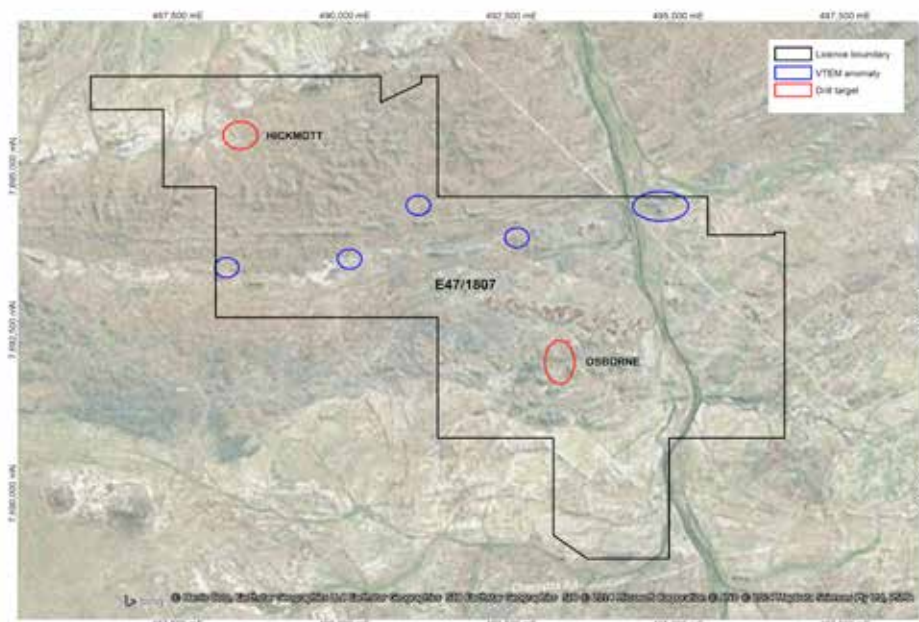
The Mt Marie JV ground is highly prospective for base metals and adjoins the Fox 100% owned Mt Regal and Sholl tenements.

REVIEW OF ACTIVITIES

Figure 9

MT OSCAR (FXR 100%, DILUTING TO 40%, MAGNETIC SOUTH EARNING UP TO 60%)

Magnetic South Pty Ltd is continuing with its earn-in under the Joint Venture. The Mt Oscar Joint Venture on E47/1217 is prospective for multiple commodities including iron Ore (magnetite), gold, base metals and nickel. Previously the main focus of the Joint Venture has been evaluating the magnetite potential of the tenement. The exploration work during the year has shifted from delineation of magnetite resources toward gold and base metals exploration. This has resulted in work focusing on the 2013 VTEM survey and validated anomalies identified after processing the VTEM data, along with the known gold prospect at White Quartz Hill. (Figure 10 below)



A series of VTEM anomalies was identified in late 2013 with the highest priority targets field checked for any explanation of the VTEM response. The sites visited were ranked according to geological, geophysical and access characteristics to identify the most favorable anomalies. While several sites were explained as cultural anomalies A total of six of these anomalies have been recommended for follow-up ground geophysical work. If these anomalies provide encouragement then other lower priority targets will be further evaluated by ground EM surveys. Ground based EM surveys are planned for late 2014 with drill testing any viable targets possible in early 2015.

The magnetite prospect within the Mt Oscar JV is located 25km south of the iron ore port of Cape Lambert in W.A. The magnetite project hosts five separate magnetic anomalies named Anomalies 1, 2, 3, 4 and 5. The anomalies are hosted in Banded Iron Formation's (BIF's) that are highly deformed and faulted section of the Cleaverville Formation.

A resource upgrade using the 2012 extensional drilling resulted in an increased resource estimate of 126Mt at 33.8%Fe (at a 25% Fe cutoff) (ASX release 6 September 2013) The details of the Resource estimate are contained in the Resource summary section below.



Figure 10: Mt Oscar Joint Venture Exploration Target Plan.

REVIEW OF ACTIVITIES

Early in the year drilling various targets within the White Quartz Hill gold prospect (a shear hosted gold system) returned encouraging results including;

13WQRC006

6m @ 0.88g/t Au from 23m

inc 1m @ 4.86 from 23m

13WQRC010

3m @ 1.2g/t Au from 13m

inc 1m @ 2.48g/t Au from 15m

2m @ 1.66g/t Au from 25m

The assay results define a distinct gold bearing shear zone. First pass geological mapping shows that the shear zone extends for a strike length of over 4.5km, less than 1km of the strike length has been drill tested and sampled. Detailed geological mapping has identified the prospective structure and stratigraphic host units along with the alteration associated with the mineralisation. Further work is planned to refine drill targets.

STAR OF MANGAROON (FOX 100%)

The Star of Mangaroon project is located in highly metamorphosed rocks of the Gascoyne Complex, approximately 240km northeast of the regional centre of Carnarvon. The project, consisting of 2 exploration licenses and one prospecting license is prospective for gold mineralisation. Historic production from 1961 - 1983 from the Star of Mangaroon mine was 7,239 Oz of gold from 5,357 tons of ore, at 43.2g/t gold.

In the 1990's RC drilling testing the depth and strike potential of the Star of Mangaroon mineralisation produced encouraging results. Data compilation and validation of the historic exploration has identified several targets both along strike and down plunge that require drill testing. Additionally the tenement area hosts a number of other prospects which have returned anomalous gold and base metals rock chip results.

QUARRIABLE ROCK - MT REGAL

The Mt Regal tenement hosts a large exposure of rock that is suitable for various industrial purposes. Excised from the Fox tenement E47/1202 are a number of rock quarry mining leases which mine rock for engineering projects around Karratha. During 2013 the Company entered into agreements with two established quarrying operators to apply for Mining Leases covering part of E47/1202. These applications are progressing toward grant. Once the applications are granted then there is an immediate cash benefit to the Company and a potential future royalty cash stream once operations commence within the new mining leases.

STATEMENT OF MINERAL RESOURCE ESTIMATES

AS AT 30 JUNE 2014

All of the Resource Estimates presented below, with the exception of the Bundaberg Coking Coal and MT Oscar Magnetite Resource Estimates, are JORC 2004 estimates. The Company is not aware of any new information or data that materially affects the Resource Estimates previously announced, and that all material assumptions and technical parameters underpinning the JORC 2004 estimates in this Annual Report continue to apply and have not been materially changed. The Bundaberg Resource Estimate is reported in accordance with JORC 2012 with the 2014 Draft Coal Guidelines. The Mt Oscar Magnetite Resource Estimate is reported in accordance with JORC 2012.

NICKEL-COPPER RESOURCE ESTIMATES

Resource Area	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	2,260,000	0.59	0.71
Sholl B2 ²	Primary Sulphide	Inferred	3,520,000	0.51	0.64
Sholl A1 ³	Primary Sulphide	Inferred	1,305,000	0.47	0.64
Sholl B1 ³	Primary Sulphide	Inferred	1,865,000	0.43	0.49
Total			12,970,000	0.50	0.71
Contained Metal (t)				66,085	91,548

COPPER-ZINC RESOURCE ESTIMATES

West Whundo ⁴	Primary Sulphide	Measured	386,000	1.2	1.9
West Whundo ⁴	Primary Sulphide	Indicated	259,000	1.1	1.7
Whundo ⁵	Primary Sulphide	Measured	304,000	1.3	0.1
Whundo ⁵	Primary Sulphide	Indicated	598,000	1.0	0.6
Whundo ⁵	Primary Sulphide	Inferred	140,000	0.8	0.2
Total			1,687,000	1.10	0.94
Contained Metal (t)				18,533	15,909

ZINC MINERAL RESOURCE ESTIMATES

Resource Area	Mineralisation	Classification	Tonnes	Zn %	Cu %
Whundo ⁶	Primary Sulphide	Measured	94,000	0.6	-
Whundo ⁶	Primary Sulphide	Indicated	249,000	1.2	-
Whundo ⁶	Primary Sulphide	Inferred	78,000	1.1	-
Ayshia ⁷	Primary Sulphide	Measured	150,000	2.4	0.5
Ayshia ⁷	Primary Sulphide	Indicated	344,000	3.3	0.5
Ayshia ⁷	Primary Sulphide	Inferred	273,000	1.3	0.3
Total			1,188,000	1.93	
		Including	767,000		0.43
Contained Metal (t)				22,911	3,289

STATEMENT OF MINERAL RESOURCE ESTIMATES

AS AT 30 JUNE 2014

MT OSCAR MAGNETITE RESOURCE ESTIMATE

Domain	Class	Tonnage (Mt)	Head Fe (%)	Mass Recovery (%)	Conc Fe (%)	Conc SiO ₂ (%)	Conc Al ₂ O ₃	Conc P (%)	Conc LOI (%)
Mag Anomaly 1 ⁸	Indicated	43	33.6	32.8	58.6	14.2	0.80	0.036	-0.34
	Inferred	32	33.3	10.4	60.3	12.7	0.73	0.036	-0.95
Mag Anomaly 2 ⁸	Indicated	40	33.9	20.0	62.9	9.9	0.40	0.022	-1.16
	Inferred	11	36.1	33.7	60.3	13.3	0.56	0.037	-1.31
Total		126	33.8	23.1	60.5	12.4	0.63	0.032	-0.84

BUNDABERG COKING COAL PROJECT RESOURCE ESTIMATE

Tenement	Formation	Inferred Tonnage (Mt)	Raw Ash % adb	Raw Volatile Matter % ADB	Raw Crucible Swell Number	Raw Total Sulphur % adb
EPC1523 ⁹	Burrum Coal Measures	101.2	19.0	22.5	8.0	0.87

Note: Totals may not add due to rounding

All Resources have been estimated according using the JORC code (2004), unless noted otherwise

Notes relating to cut-off grades and ASX release date of the resource estimates appear below:

- 2009 estimate (Snowden) Cutoff grade 0.5% Ni in Ni dominant material, and 0.5% Cu in the Cu dominant hanging wall
- 2010 estimate (Snowden) Cutoff grade 0.3% Ni_{Eq} (Ni + Cu/3)
- 2010 estimate (Snowden) Cutoff grade 0.3% Ni_{Eq} (Ni + Cu/3.3)
- 2006 estimate (RSG Global) Cutoff grade 0.5% Cu or 0.5% Zn. The Measured resource has been depleted from the RSG estimate by 20,000t based on company mining records.
- 2007 estimate (Coffey Mining) Cutoff grade 0.4% Cu or 0.4% Zn
- 2007 estimate (Coffey Mining) Cutoff grade 0.4% Cu or 0.4% Zn
- 2006 estimate (RSG Global) Cutoff grade 0.4% Zn
- 2013 estimate (Golder Associates) Cutoff grade of 25% Fe estimated according to the JORC code (2012)
- 2014 estimate (ROM Resources) estimated according to the JORC code (2012)

COMPETENT PERSONS STATEMENT

The information in this report that relates to geology, exploration results, data, cut off grades, geological interpretation and Resource Estimates is based on information compiled by Mr Paul Dunbar who is a Member of the Australian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Dunbar is a full-time employee 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 Dunbar consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward-Looking Statements: This Annual Report may include forward-looking statements. Forward-looking statements include, but are not limited to statements concerning Fox Resources Limited (Fox's) planned exploration programs 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.



DIRECTORS' REPORT

The Directors of Fox Resources Ltd ("the Company" or "Fox") present their report on the Company and its controlled entities (the "consolidated entity" or "the Group") for the year ended 30 June 2014.

DIRECTORS

The names and details of the Company's Directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

T Streeter

G East

B Garlick (Appointed 30/09/2014)

P Dunbar (Appointed 23/09/2013, Resigned 29/09/2014)

Y Tian (Ceased 29/11/2013)

R White (Resigned 2/10/2013)

J Cooper (Resigned 11/04/2014)

PRINCIPAL ACTIVITIES

The principal activities of the consolidated entity during the year ended 30 June 2014 was the exploration for base metals, gold, iron ore and coal.

FINANCIAL RESULTS

The loss of the consolidated entity, after providing for income tax amounted to \$4,299,246 (2013: \$18,728,545).

DIVIDENDS

No dividends were declared for the 2014 financial year (2013: nil).

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Other than disclosed elsewhere in the financial report, there were no significant changes in the state of affairs during the period.

DIRECTORS' REPORT

OPERATIONS REVIEW

The principal activities of the Group were the exploration for base metals, gold, iron ore and coal and the evaluation of a heap leaching operation.

During the year Fox Resources focused on exploration within the Bundaberg Coking Coal Project located 20km to the north of Bundaberg, Queensland. This work resulted in the definition of an Inferred Hard Coking Coal Resource of 101Mt with significant exploration upside. Work to determine the best path forward for the project continues with various alternatives available to the company. The project has been disclosed as an asset held for sale as at 30 June 2014.

Studies associated with the Radio Hill and Sholl Heap Leach project, remain valid as outlined in the Revised Radio Hill Heap Leach Scoping Study (released August 25 2011), although the project was impaired to nil in 2013. During the year minimal work was conducted on the project due to the low nickel prices during the first half of the year. The recent improvement in the nickel price has provided confidence that with further validation and testing the heap leach development may be a viable alternative to the traditional higher grade nickel (and copper) concentrate alternative. Significant recent advances in the leaching technology may result in a significant reduction in the operating costs used in the Scoping Study; these advances require testing and validation.

In addition to the Heap Leach development alternatives for Radio Hill exploration work has focused on re-evaluation of the extensive data collected from the company's exploration in the area. This has resulted in several high priority targets being identified with these progressing toward drill testing in the coming year. Many of these targets have existing drill intersections of high grade nickel, copper and zinc with the drill spacing around many of these intersections being very wide spaced. Significant potential exists around several of these targets.

A large VTEM survey, flown in 2013 and mostly processed, has provided several VTEM targets that have been ground checked. Several of these targets require follow-up ground EM surveys. If these follow-up surveys provide encouraging results they will then be drill tested. These targets are in addition to the re-evaluation of the existing VTEM data covering the 11 tenements that form the basis of the Pilbara Minerals NL Joint Venture (PLS JV). These underexplored tenements are considered to be highly prospective for massive nickel sulphides and VMS style copper and zinc systems.

Additionally Fox's joint venture partner on its Mt Oscar project, Magnetic South Pty Ltd, undertook significant exploration with for magnetite, gold and base metals.

Fox also resumed management of the Mt Marie JV tenure from Artemis Resources NL. The Mt Marie tenure is prospective for nickel and copper sulphides and hosts a VTEM / ground EM anomaly that is drill ready. Drilling is planned to commence on that target as soon as a heritage agreement is executed with the local land council and heritage surveys are completed.

During 2013 Fox entered into a number of commercial agreements over part of the Mt Regal tenure that is of interest to quarry operators in the Karratha district. Tenements associated with these agreements are advancing toward the grant of tenements which will provide immediate income to Fox Resources and access to possible future royalty income streams.

FINANCIAL REVIEW

The loss before interest, taxation, depreciation, amortisation and impairment (EBITDA) was \$1.9 million. The loss after interest, taxation, depreciation, amortisation and impairment was \$4.3 million (2013: \$18.7 million).

Impacting the net loss of \$4.3 million for the year were the following non-cash items:

- Depreciation charges of \$0.4 million.
- Impairment and write-off of exploration and evaluation assets of \$1.4 million.
- Impairment of property, plant and equipment of \$0.5 million.
- Share-based expense of \$0.1 million.

These non-cash items amounted to \$2.4 million.

FINANCIAL POSITION

Total assets at reporting date were \$22.9 million. The following significant items impacted on assets:

- Capitalised exploration and mineral properties expenditure totalled approximately \$3.0 million during the year.
- Impairment and write-off of exploration and evaluation assets of \$1.4 million.

DIRECTORS' REPORT

Total liabilities at reporting date were \$11.7 million.

Total equity attributable to shareholders increased by \$1.7 million to \$11.1 million due primarily to:

- \$5.9 million was raised from the issue of shares during the year.
- The loss for the year was \$4.3 million.

CONSOLIDATED STATEMENT OF CASH FLOWS

Consolidated cash flows from operating activities resulted in a net cash outflow of \$0.943 million, representing a decrease of \$1.66 million from the prior year. Payments to suppliers and employees decreased by \$3.12 million.

Net cash outflows from investing activities decreased by \$1.80 million due primarily to lower exploration and evaluation activity. Net cash inflows from financing activities decreased by \$3.34 million due primarily to decreased funding sourced from capital raisings.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

On 4 July 2014, as part of Mr Garry East's underwriting agreement for the non-renounceable entitlement issue made in June 2014, a shortfall balance of 5,123,766 shares and 5,123,766 listed options were issued. The options are exercisable at \$0.04 with an expiry date of 30 June 2016.

Subsequent to 30 June 2014, the Company has entered into various agreements with an entity associated with Mr Terry Streeter, Jungle Creek Gold Mines Pty Ltd, under which Jungle Creek made advances totalling \$530,000. The Company also entered into an agreement with Mr Garry East, under which Mr East advanced \$150,000 by way of a loan to the company. The terms of the loan agreements are that interest is accrued at a rate of 8% per annum with the loan (including accrued interest) repayable within twelve months. Under the terms of the agreements, Jungle Creek Gold Mines Pty Ltd or Mr East may elect for the loan (including accrued interest) to be repaid, subject to shareholder approval, by the issue of shares. Further to this, Jungle Creek Gold Mines Pty Ltd agreed to extend the loans outstanding at year-end (\$4,586,130) and to continue to financially support the company until the earlier of the sale of the Queensland Coal tenements or 30 September 2015.

The Company received a writ of summons on 17 September 2014 from a former supplier with regards unpaid invoices amounting to \$209,158 (including GST) plus interest and legal costs. The Board has considered the summons and intends to defend the claim.

The Company received a writ of summons on 18 September 2014 from a former Non-executive Director with regards unpaid fees amounting to \$77,641 (including Superannuation) plus interest and legal costs. The Board has considered the summons and intends to defend the claim.

Mr Dunbar resigned from the Board on 29 September 2014 and gave notice of termination of his employment agreement. He will continue for the remainder of 2014 as the Chief Executive Officer of the Company. Mr David Peterson resigned as Company Secretary on 30 September 2014. Mr Bruce Garlick was appointed as an Executive Director, CFO and Company Secretary of the company on 30 September 2014.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Board continue to evaluate development alternatives and project funding for the Radio Hill and Sholl nickel and copper deposits.

A study to treat the surface material and potentially mine lower grade material from underground at Radio Hill has been completed. A decision on whether to proceed is dependent on future nickel prices. The financial model for the project is still valid however marginal at the current nickel prices therefore the project has been held over pending a sustained improvement in the nickel prices. Consensus forecasts suggest an upward movement in the nickel price in the coming years. Under these forecast prices and various assumptions the heap leach and downstream processing facility of both the surface stockpiles and underground lower grade ore are expected to generate positive cash flow for the company.

Given favourable nickel prices, project funding being sourced and a decision to advance the project it is anticipated that initial production could be ready for shipment within 12-15 months after construction funding is finalised.

In addition to the lower grade heap leach development option the Board continues to evaluate exploration potential and options toward a more traditional higher grade development that would utilise the existing infrastructure at the Radio Hill site. Further exploration and evaluation is required prior to any commercial development decision of a more traditional nickel / copper sulphide concentrate development.

Shareholder approval for the grant of security over the companies Queensland Coal assets for 50% of the outstanding loans to the company by Jungle Creek Gold Mines was gained in early June 2014.

DIRECTORS' REPORT

Given the exploration success at the Bundaberg Coking Coal Project the Company is evaluating alternatives to provide the best return for shareholders. Alternatives that are currently being evaluated are continuing exploration and development activities, an outright divestment of the project, introducing of a Joint Venture or Offtake partner or a commercial transaction between other companies operating within the area.

Work is ongoing within the Mt Oscar Joint Venture where a significant Iron Ore resource estimate upgrade was released in 2013 (announced 5 September 2013). Further work on the Mt Oscar Joint Venture for Iron Ore, Gold and Base Metals is planned for the coming year. This work is being funded by Fox's Joint Venture partner Magnetic South Pty Ltd.

Fox continues to evaluate the potential sale of processing equipment in Queensland and these negotiations are continuing.

INFORMATION ON DIRECTORS

Terence EJ Streeter, Chairman – Non-Executive

Experience and expertise

Mr Streeter is a businessman with extensive experience in exploration and mining companies and has held various interests in the nickel sulphide industry for over 30 years.

Special Responsibilities

Chair of the Board.

Other current directorships.

None.

Former directorships in last 3 years

Non-Executive director of Waratah Resources Ltd until October 2012.

Non-Executive Director of Midas Resources Limited until April 2013.

Chairman and a Non-Executive Director of Western Areas NL until November 2013.

Interests in shares and options

Mr Streeter and related entities held 315,903,225 ordinary shares and 222,619,638 listed options at the date of this report.

Garry East, Non-Executive Director.

Experience and expertise

Mr. East is a successful Western Australian based businessman who has taken leadership roles in the agricultural industry and has been an active investor in the resources sector for many years.

Other current directorships

None.

Former directorships in last 3 years

None.

Interests in shares and options

Mr East and related entities held 47,542,266 ordinary shares and 9,442,266 listed options at the date of this report.

Bruce Garlick, Executive Director, CFO & Company Secretary (Appointed 30 September 2014)

Experience and expertise

Mr Garlick has more than 20 years' experience in the mining and engineering industries, both internationally and locally. He is a member of CPA Australia and a Fellow of the Chartered Institute of Secretaries. He has held senior positions in companies in Australia, South and Western Africa, Europe and the USA including Normandy Mining (now Newmont Mining), Platinum Australia and MI Energy. Mr Garlick has extensive experience with corporate governance, financial regulations and has secured complex funding deals for large projects.

Other current directorships

None.

Former directorships in last 3 years

None.

Interests in shares and options

Mr Garlick and related entities hold no shares or options at the date of this report.

DIRECTORS' REPORT

Paul Dunbar, Managing Director. (Appointed 23 September 2013, Resigned 29 September 2014)

Experience and expertise

Mr. Dunbar is an exploration geologist with a BSc (Hons) from Curtin University and an MSc (Mineral exploration and evaluation) from Queens University in Canada. Mr Dunbar has over 17 years' experience in exploration for gold, base metals, nickel and uranium both within Australia and internationally having worked for large mining house Barrick Gold and junior explorers Westgold, Abra Mining and more recently Energy Metals Limited. Mr Dunbar resigned as Managing Director on 29 September 2014.

Other current directorships

None.

Former directorships in last 3 years

Non-executive director of Extract Resources Limited (March to November 2012).

Interests in shares and options

Mr Dunbar held 1,500,000 ordinary shares, 2,000,000 unlisted options and 500,000 listed options at the date of this report.

Dr. Yulong Tian, Non-Executive Director (Ceased 29 November 2013).

Experience and expertise

Dr Tian Yulong represented the Jinchuan Group Ltd (Jinchuan), a large Chinese nickel producer and a substantial shareholder of the Company. Dr Tian was not re-elected at the Company's last AGM held on 29 November 2013.

Other current directorships

None.

Former directorships in last 3 years

None.

Interests in shares and options

Dr Tian held nil Shares and nil Options, however Dr Tian was a representative of Jinchuan Group Ltd which holds 32,900,000 ordinary shares.

Rod White, FCPA, Non-Executive director (Resigned 2 October 2013).

Experience and expertise

Mr. White is a Director of an accounting practice which provides advice on accounting, management and taxation matters to clients in a range of industries, resigned as a Director of the Company on 2 October 2013.

Other current directorships

None.

Former directorships in last 3 years

Director of Waratah Resources Limited until October 2012

Interests in shares and options

Mr White and related entities held 483,334 ordinary shares and nil Options.

Jim Cooper, Non-Executive Director

Experience and expertise

Mr. Cooper is a consultant to various entities controlled by Mr. Sam Chong including Magnetic South Pty Ltd which is a partner in the Mount Oscar Joint Venture with Fox Resources. Mr Cooper resigned as a Director of the Company on 11 April 2014.

Other current directorships

None.

Former directorships in last 3 years

None.

Interests in shares and options

Mr Cooper held 322,916 shares and options, and Mr Cooper was a representative of Mr Sam Chong whose related entities hold 92,585,762 ordinary shares.

EXECUTIVES

Paul Dunbar, Managing Director & CEO. (Appointed 23 September 2013, Resigned as Managing Director 29 September 2014)

Bruce Garlick, CEO (Resigned 6 September 2013, Reappointed Executive Director, CFO & Company Secretary 30 September 2014)

DIRECTORS' REPORT

COMPANY SECRETARY INFORMATION

Bruce Garlick, Company Secretary. (Resigned 6 September 2013, Re-appointed 30 September 2014)

Trish Farr, Company Secretary. (Appointed 6 September 2013, Resigned 6 June 2014)

David Peterson, Company Secretary. (Appointed 6 June 2014, Resigned 30 September 2014)

Mr Peterson has over 25 years' experience as a company secretary in the mining and exploration industry in Western Australia and Queensland. For the 12 years to December 2011, David was company secretary and executive general manager corporate at Kagara Ltd, an ASX listed base metals producer and for 10 years prior to that was company secretary and administration manager at Forrestania Gold NL a gold producer listed on ASX until takeover 1997. Since January 2012, David has been providing company secretarial, corporate and related consultancy services to listed and publicly unlisted companies.

DIRECTORS' MEETINGS

The following table sets out the number of meetings of the Company's Directors held during the year ended 30 June 2014 and the number of meetings attended by each Director.

Name of Director	Director Meetings Eligible To Attend	Number Attended
T Streeter	11	11
G East	11	11
P Dunbar	8	8
R White	5	5
Dr Y Tian	6	0
J Cooper	10	10
B Garlick	-	-

REMUNERATION REPORT (AUDITED)

The information provided in this remuneration report has been audited as required by section 308(3C) of the Corporations Act 2001.

REMUNERATION POLICY

The full Board acts in the capacity of a remuneration committee and is responsible for determining and reviewing compensation arrangements for the Directors and other key management personnel. The remuneration committee assesses the appropriateness of the nature and amount of remuneration of Directors and other key management personnel on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team.

The Board confirms it has not engaged remuneration consultants during the year.

REMUNERATION PHILOSOPHY

The objective of the Company's remuneration framework is to ensure that remuneration properly reflects the relevant person's duties and responsibilities and that the remuneration is competitive in attracting, retaining and motivating people of the highest quality. The Board believes that the best way to achieve this objective is to provide Directors and other key management personnel with a remuneration package consisting of fixed components, non-monetary payments or equity based remuneration, that reflect the person's responsibilities, duties and personal performance.

The Company has structured an executive remuneration framework that is market competitive and complementary to the performance of the organisation. The Board of Fox Resources Limited believes the remuneration philosophy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the Group as well as create goal congruence between directors, executives and shareholders.

NON-EXECUTIVE DIRECTORS

The remuneration philosophy is to remunerate non-executive directors at commercial market rates for comparable companies for their time, commitment and responsibilities. Independent external advice is sought when required however no advice has been sought during the period ended 30 June 2014. Fees for non-executive directors are not linked to the performance of the Group. Non-executive directors' fees and payments are reviewed annually by the Board.

DIRECTORS' REPORT

EXECUTIVE DIRECTORS AND EXECUTIVES

All executives receive consulting fees or a salary, part of which may be taken as superannuation, and from time to time, options. Options issued to directors are subject to approval by shareholders. The Board reviews executive packages annually by reference to the executives' performance and comparable information from industry sectors and other listed companies in similar industries.

Remuneration for executives may comprise the following:

- base pay benefits;
- long-term incentive share and/or option scheme;
- other non-monetary benefits including motor vehicles;
- other remuneration including superannuation.

There were no cash bonuses granted during the year ended 30 June 2014 (2013: nil).

Company performance, shareholder wealth and Director and Executive remuneration

The policy setting the terms and conditions for the executive directors was developed and approved by the Board and is considered appropriate for the current exploration phase of the Group's development. Emoluments of directors are set by reference to payments made by other companies of similar size and industry, and by reference to the skills and experience of directors. Fees paid to directors are not linked to the performance of the Group. This policy may change should the Company begin to generate revenue. At present the existing remuneration philosophy is not impacted by the Groups performance including earnings and changes in shareholder wealth (dividends, changes in share price or returns of capital to shareholders). The Board has not set short-term performance indicators, such as movements in the Company's share price, for the determination of director emoluments as the Board believes this may encourage performance which is not in the long term interests of the Company and its shareholders. The Board has structured its remuneration arrangements in such a way it believes is in the best interests of building shareholder wealth in the longer term. The Board believes participation in the Company's Employee Share Option Plan motivates key management and executives with the long term interests of shareholders.

The following table shows the share price of the Group at the end of each of the last four financial years.

Year	30 June 2010	30 June 2011	30 June 2012	30 June 2013	30 June 2014
	\$	\$	\$	\$	
Closing Share price	0.083	0.044	0.044	0.021	0.012
% Change	-25%	-47%	-	-52%	-42%

Details of the nature and amount of each element of the remuneration of Directors and Executives of the Group are set out in the following sections of this report.

DETAILS OF DIRECTOR REMUNERATION

Figures below represent remuneration on an accrual basis however Mr. Streeter and Mr. East have elected not to receive payment in cash until the company is in a stronger financial position.

DIRECTORS' REPORT

Details of the nature and amount of each element of the remuneration of each Director of the Company are as follows:

	Short-term benefits			Post-employment benefits	Equity settled share based payment		
Directors	Salary and Fees	Non-monetary benefits	Other benefits (v)	Superannuation	Options	% of remuneration consisting of options	TOTAL
Year ended 30 June 2014	\$	\$	\$	\$	\$	%	\$
T E J Streeter	150,000	-	5,573	13,875	-	-	169,448
P Dunbar (i)	193,269	-	-	17,877	11,176	5.0%	222,322
Y Tian (ii)	-	-	-	-	-	-	-
R White (iii)	18,750	-	-	1,734	-	-	20,484
G East	57,000	-	-	24,938	-	-	81,938
J Cooper (iv)	58,542	-	-	5,415	-	-	63,957
	477,561	-	5,573	63,839	11,176		558,149

(i) Appointed 23 September 2013, resigned 29 September 2014

(ii) Ceased 29 November 2013.

(iii) Resigned 2 October 2013.

(iv) Resigned 11 April 2014.

(v) Relates to motor vehicle expense payment benefits.

	Short-term benefits			Post-employment benefits	Equity settled share based payment		
Directors	Salary and Fees	Non-monetary benefits	Other benefits (v)	Superannuation	Options	% of remuneration consisting of options	TOTAL
Year ended 30 June 2013	\$	\$	\$	\$	\$	%	\$
T E J Streeter	150,000	-	-	13,500	-	-	163,500
Y Tian	-	-	-	-	-	-	-
R White	75,000	-	-	6,750	-	-	81,750
G East	75,000	-	-	6,750	-	-	81,750
J Cooper	12,500	-	-	1,125	-	-	13,625
	312,500	-	-	28,125	-	-	340,625

DIRECTORS' REPORT

SERVICE AGREEMENTS

- (i) The Board has entered into an agreement with Jungle Creek Gold Mines Pty Ltd on 3 June 2005 to engage the services of Mr Streeter as a Non-Executive Director. Fees paid under that agreement are \$100,000 per annum effective from 1 July 2005. This agreement continues until terminated and does not contain any termination benefits. Upon termination it is at the Board's discretion whether or not any equity component in the form of options is forfeited.

The Board has entered into an agreement with Jungle Creek Gold Mines Pty Ltd on 28 December 2007 to engage the services of Mr Streeter as the Chairman of the board. Fees paid under that agreement are \$50,000 per annum effective from 28 December 2007. This agreement continues until terminated and does not contain any termination benefits. Upon termination it is at the Board's discretion whether or not any equity component in the form of options is forfeited.

- (ii) The Board entered into an agreement with Mr Dunbar on 23 September 2013 to provide his services as the Managing Director and Chief Executive Officer. Fees under the agreement are \$250,000 per annum excluding superannuation effective 23 September 2013. This agreement was until 30 June 2016; however Mr Dunbar resigned as a Director on 29 September 2014 and also gave his notice for the CEO position. Termination of the agreement required three months' notice for either party. Upon termination it is at the Board's discretion whether or not any equity component in the form of options is forfeited. At the date of this report, this had not yet been determined.
- (iii) The Board has entered into an agreement with Mr East on 11 October 2011 to provide his services as a Non-Executive Director. Fees under the agreement are \$75,000 per annum effective from 11 October 2011. This agreement continues until terminated and does not contain any termination benefits. Upon termination it is at the Board's discretion whether or not any equity component in the form of options is forfeited.

OTHER KEY MANAGEMENT PERSONNEL

The following persons also had the authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, during the financial year:

Name	Position	Employer
David Peterson (i)	Company Secretary (appointed 6 June 2014, resigned 30 September 2014)	Fox Resources Ltd
Trish Farr	Company Secretary (appointed 6 September 2013, resigned 6 June 2014)	Fox Resources Ltd
Bruce Garlick	Company Secretary (resigned 06 September 2013, reappointed 30 September 2014)	Fox Resources Ltd
Laurie Chew	General Manager – Chief Executive Officer (resigned 21/09/12)	Fox Resources Ltd
Kelvin Fox	Exploration Manager (redundancy 15 November 2013)	Fox Radio Hill Pty Ltd

DIRECTORS' REPORT

SERVICE AGREEMENTS

- (l) The Board agreed to appoint Mr Peterson as Company Secretary for a 3 month period commencing 6 June 2014 on a monthly retainer of \$4,000 per month with any excess hours charged at \$150 per hour. An extension to this agreement is currently being considered by the Board.

Details of Executive Remuneration

	Short-term benefits			Post-employment benefits	Equity settled share based payment		
Executives	Salary & fees	Non-monetary benefits	Allowances	Super-annuation	Options	% of remuneration consisting of options	Total
Year Ended 30 June 2014	\$	\$	\$	\$	\$	%	\$
D Peterson (i)	13,075	-	-	-	-	-	13,075
T Farr (ii)	48,754	-	-	-	-	-	48,754
B Garlick (v)	56,351	-	-	5,211	-	-	61,542
K Fox (iv)	98,782	-	-	6,081	-	-	104,863
	216,942	-	-	11,292	-	-	228,234
Year Ended 30 June 2014							
B Garlick (v)	255,000	-	-	47,035	-	-	302,035
K Fox (iv)	175,000	-	-	15,749	-	-	190,749
L Chew (iii)	207,187	-	-	12,800	-	-	219,787
B Granger (vi)	104,514	-	-	8,018	-	-	112,532
	958,643	-	-	94,694	-	-	1,053,337

- (i) Appointed 6 June 2014
(ii) Appointed 6 September 2013, resigned 6 June 2014.
(iii) Resigned 21 September 2012
(iv) Redundant 15 November 2013
(v) Appointed CEO 21 September 2012, resigned 6 September 2013, reappointed Executive Director, CFO & Company Secretary 30 September 2014
(vi) Resigned 4 December 2012

Share-based compensation – options over ordinary shares

An employee share option plan has been established where the Company may grant options over ordinary shares of the Company to staff. The options are issued for nil consideration and are granted at the discretion of the Directors. The options cannot be transferred, are not quoted on the ASX and carry no dividend and voting rights.

DIRECTORS' REPORT

Compensation options: Granted and vested during the year

Year ended 30 June 2014	Granted		Terms & conditions for each Grant						Vested	
	No.	Grant Date	Fair Value per option at grant date (\$)	Total fair value of options granted (\$)	Exercise price per option (\$)	Expiry Date	First Exercise Date	Last Exercise Date	No.	%
Directors										
P Dunbar	2,000,000	29/11/2013	0.005	11,176	0.0600	30/06/2017	-	-	-	-

No Directors or executives other than Mr P Dunbar were granted options during the year. Mr Dunbar's options are not performance based and issued as a part of negotiations for the commencement of employment. No options were granted to Directors or Executives for the year ended 30 June 2013.

Options granted as part of remuneration

There were no alterations to the terms and conditions of options granted as remuneration since their grant date.

Voting and comments made at the company's 2013 Annual General Meeting

Fox Resources Limited received about 95% of "yes" votes on its remuneration report for the 2013 financial year. The Company did not receive any specific feedback at the AGM on its remuneration report.

OPTIONS HELD BY DIRECTORS AND KEY MANAGEMENT PERSONNEL

The number of options to acquire shares in the Company held during the 2014 reporting period by each Director and Key Management Personnel of the Group, including their related parties are set out below.

Director/Key Management Personnel	Balance as at 1 July 2013	Purchased	Lapsed	Other Movements	Balance as at 30 June 2014 or date of Resignation
T. Streeter	-	222,619,638	-	-	222,619,638
P. Dunbar (v)	-	2,500,000	-	-	2,500,000
G. East	-	4,318,500	-	-	4,318,500
J. Cooper (i)	-	-	-	-	-
Y. Tian (ii)	-	-	-	-	-
R. White (iii)	-	-	-	-	-
B. Garlick (iv)	350,000	-	(350,000)	-	-

(i) Resigned 11 April 2014

(ii) Ceased 29 November 2013

(ii) Resigned 2 October 2013

(iv) Appointed CEO 21 September 2012, resigned 6 September 2013, reappointed Executive Director, CFO & Company Secretary 30 September 2014

(v) Resigned 29 September 2014

No other Directors held options.

DIRECTORS' REPORT

SHARES HELD BY DIRECTORS AND KEY MANAGEMENT PERSONNEL

Director/Key Management Personnel	Balance as at 1 July 2013	Purchased	Disposed	Other	Balance as at 30 June 2014 or date of resignation
T. Streeter	91,683,587	224,219,638	-	-	315,903,225
P. Dunbar	-	1,500,000	-	-	1,500,000
G. East	37,500,000	4,918,500	-	-	42,418,500
J. Cooper (i)	92,085,762	822,916	-	-	92,908,678
Y. Tian (ii)	32,900,000	-	-	-	32,900,000
R. White (iii)	483,334	-	-	-	483,334
B. Garlick (iv)	0	300,000	300,000	-	0

- (i) Resigned 11 April 2014. J Cooper was a non-executive director and representative of Breeton Pty Ltd and Zashvin Pty Ltd which held 47,782,762 and 44,803,000 shares respectively.
- (ii) Ceased 29 November 2013. Y Tian was a non-executive director and representative of the Jinchuan Group who held 32,900,000 shares at 1 July 2013 and at the cease date.
- (iii) Resigned 2 October 2013. R White was a non-executive director and representative of R&D White and Associates who held 483,334 shares at 1 July 2013 and at the resignation date.
- (iv) Resigned 6 September 2013 re appointed 30 September 2014

No Shares were issued as part of remuneration.

No other Directors and Key Management Personnel held shares in the Company other than documented above.

Transactions with related parties

All transactions with related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. During the year the following transactions were entered into with related parties:

As at 1 July 2013, the Company owed Jungle Creek Gold Mines Pty Ltd, of which TEJ Streeter is a Director of the Company, \$5,478,489. During the 30 June 2014 year, the Company had entered into various agreements with Jungle Creek Gold Mines Pty Ltd, pursuant to which Jungle Creek Gold Mines Pty Ltd loaned an additional total of \$2,091,000. \$3,474,295 was repaid during the year either by cash or through issue of shares, leaving a total loan balance of \$4,586,130 inclusive of interest (2013: \$5,478,488). The terms of the loans are that interest is accrued at a rate of 8% per annum with the loan (including accrued interest) repayable as per the individual loan agreements and each loan is for twelve months. The total interest accrued to Jungle Creek Pty Ltd as at 30 June 2014 is \$490,936 (2013: 376,558). Under the terms of the agreement, Jungle Creek Gold Mines Pty Ltd may elect for the loan (including accrued interest) to be repaid, subject to shareholder approval, by the issue of shares. Jungle Creek Gold Mines Pty Ltd also has a security interest registered over the consolidated entity's Queensland coal tenements.

Subsequent to 30 June 2014, the Company had entered into various agreements with Jungle Creek Gold Mines Pty Ltd, to which Jungle Creek loaned a total of \$530,000. The terms of the loans are that interest is accrued at a rate of 8% per annum with the loan (including accrued interest) repayable within one year. Under the terms of the agreement, Jungle Creek Gold Mines Pty Ltd may elect for the loan (including accrued interest) to be repaid, subject to shareholder approval, by the issue of shares. Further to this, Jungle Creek Gold Mines Pty Ltd agreed to extend the loans outstanding at year-end (\$4,586,130) and to continue to financially support the company until the earlier of the sale of the Queensland Coal tenements or 30 September 2015.

DIRECTORS' REPORT

The company has entered into an agreement with Zashvin Pty Ltd in March 2013 to which Zashvin made advances totalling \$360,000 of which \$140,000 was repaid. The terms of the loans are that interest is accrued at a rate of 8% per annum with the loan (including any accrued interest) repayable within one month. The loans remain unpaid at the date of this report. Zashvin Pty Ltd is a major shareholder of Fox Resources Limited. The total balance at 30 June 2014 including interest is \$244,864.

The company entered into an agreement with R & D White & Associates Pty Ltd in July 2012 to which R & D White loaned a total of \$25,000. The term of the loan is that interest is accrued at a rate of 8% per annum with the loan (including any accrued interest) repayable within one month. The loans remain unpaid at the date of this report, with the total balance at 30 June 2014 including interest being \$28,830.

Other related party transactions:

At 30 June 2014, the following amounts were payable to directors for directors' fees:

- TEJ Streeter: \$450,000 of which \$412,500 relates to director fees and \$37,500 relates to superannuation contributions
- Garry East: \$110,812 of which \$101,662 relates to director fees, \$9,150 relates to superannuation contribution.

At 30 June 2014, the following amounts were payable to former directors for directors' fees:

- Rod White: \$136,297 of which \$125,000 relates to director fees and \$11,297 relates to superannuation contributions
- Jim Cooper: \$77,582 of which \$71,042 relates to director fees, \$6,540 relates to superannuation contribution.

There were no other related party transactions during the year.

End of Remuneration Report.

DIRECTORS' REPORT

DIRECTORS AND OFFICERS INSURANCE

Indemnity agreements have been entered into between the Company and each of the Directors and Officers of the Company. Under the agreements, the Company has agreed to indemnify those officers, to the extent permitted under the Corporations Act 2001, against any claim or for any expenses or costs which may arise as a result of work performed in their respective capacities as officers of the Company. The Directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the policy as such disclosure is prohibited under the terms of the contract of insurance.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

No proceeds have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

ENVIRONMENTAL REGULATION

The Company's operations are subject to various environmental regulations under both Commonwealth and State Government legislation. The Directors are not aware of any breaches of the legislation during the current financial year which are material in nature.

Greenhouse gas and energy data reporting requirements

The Directors have considered compliance with both the Energy Efficiency Opportunity Act 2006 and the National Greenhouse and Energy Reporting Act 2007 which requires entities to report annual greenhouse gas emissions and energy use. The Directors have assessed that there are no current reporting requirements for the period ended 30 June 2014.

NON-AUDIT SERVICES

The Company from time to time may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company is important.

The Board of Directors has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services by the auditor as set out below did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the Board to ensure they do no impact on the impartiality and objectivity of the auditor
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

During the year ended 30 June 2014 and in the previous financial year there were no fees paid or payable for non-audit services provided by the auditor of the consolidated entity.

DIRECTORS' REPORT

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires the lead auditor from Company's auditors, Grant Thornton Audit Pty Ltd, to provide the directors with a written Independence Declaration in relation to their audit of the financial report for the year ended 30 June 2014. This written Auditor's Independence Declaration is set out on page 63.

This report which includes the accompanying Corporate Governance Statement is signed in accordance with a resolution of Directors.
30 September 2014 at Perth, Western Australia.



TERRY STREETER
NON-EXECUTIVE CHAIRMAN

CORPORATE GOVERNANCE STATEMENT

It is the responsibility of the Board of Directors of Fox Resources to monitor the business affairs of the Company and to protect the rights and interests of the Shareholders. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs. The Corporate Governance Statement, approved by the Board, summarises the Company's corporate governance policies and practices in place throughout the reporting period and has been structured with reference to the Australian Securities Exchange Corporate Governance Council's ("Council") "Corporate Governance Principles and Recommendations" 3RD edition to the extent that they are applicable to the Company.

Principle 1 – Lay solid foundations for management and oversight

The Board is responsible for the overall Corporate Governance of the Company including the strategic direction, establishing goals for management and monitoring the achievement of these goals. Due to the size of the Board, all issues are considered by the full Board which currently consists of three Directors. The Board is responsible for corporate strategy, implementation of business plans, allocation of resources, approval of budgets and capital expenditure, reviewing and monitoring systems of risk management, internal control and compliance and the adherence to Company policies.

The appointment of Non-Executive Directors is formalised in accordance with the requirements of the Corporations Act 2001 and the Company's Constitution.

On appointment to the Board, all Non-Executive Directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies including their roles, responsibilities, the Company's expectations and compensation relevant to the office of Director. Remuneration and other terms of employment for the Managing Director, other executives and senior managers are formalised in service agreements which are summarised in the Directors' Report.

The Company's Constitution provides that the number of Directors shall not be less than three and not more than ten. The skills, experience and expertise relevant to the position held by each Director is disclosed in the Directors' Report which forms part of this report.

The Company's Managing Director (or equivalent) has the responsibility for the day to day management of the Company and guiding management in effectively carrying out tasks and achieving Company objectives.

The Company's Chairman is responsible for leadership and governance of the Board and ensuring its efficient organisation and conduct.

The Company Secretary accounts directly to the Board through the Chairman on all matters to do with the proper functioning of the Board.

At every Annual General Meeting one third of the Directors must retire and sit for re-election.

The Board reviews the performance of senior executives against appropriate measures relating to their respective roles and responsibilities. The reviews are done at least annually and more often when necessary. Senior executives were reviewed during the year in accordance with these procedures. Again, due to the size of the Board, a bi-annual questionnaire evaluation process is undertaken, with the next evaluation planned during the 2014/15 year.

The Company acknowledges the importance of diversity within the organisation and recognises the advantages arising from a workforce comprising individuals with diverse backgrounds, skills age and experience. The benefits of promoting a diverse workforce include providing a broader pool of high quality employees, improving employee retention, accessing different perspectives, ideas and innovation as well as the benefits resulting from utilising all available talent. Accordingly the Company has adopted a diversity policy, a copy of which can also be found on the Company's website.

In accordance with the policy, the Board provides the following information pertaining to the proportion of women employees across the organisation:

30 June 2014	Female	Male
Board	-	3
Senior Executives	-	1
Other Employees	1	4

The Company has not complied with recommendation 1.5 in setting measurable objectives for achieving gender diversity. The Board continues to monitor diversity across the organisation. Due to the size of the Company and its small number of employees, the Board does not consider it appropriate at this time, to formally set measurable objectives for gender diversity.

A copy of the Statement of Matters Reserved for the Board and senior executives is also available on the Company's website.

CORPORATE GOVERNANCE STATEMENT

Principle 2 – Structure the Board to add value

The ASX Corporate Governance Councils Principles and Recommendations recommend that a majority of the Board should be independent directors. The ASX guidelines define independence as not being a member of management and being free from any business or other relationships that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their independent judgement to act in the best interests of the Company.

In considering the Corporate Governance Councils definition of independence and recommendation that a majority of directors and the Chairman be independent, the Company has not complied with recommendations 2.1 & 2.4 (bearing in mind that in determining independence the Company is required to take into account reasonable perceptions as well as actual facts and circumstances) by virtue of the Non-Executive Directors' substantial shareholding or association with a substantial Shareholder of the Company.

It is considered that in the present circumstances of the Company and its current size and stage of development, that the Board is of a sufficient size and comprises an appropriate mix of persons with appropriate qualifications, commitment, skills and experience to govern the Company and that the costs involved in appointing additional Non-Executive Directors in order to comply with the recommendation would outweigh the benefit of making such an appointment. The Board will consider the appointment of additional Non-Executive Directors where required by law, if an outstanding candidate is identified or if it is considered that additional expertise is required in specific areas as the Company develops.

The Board however does partially meet recommendation 2.5 whereby the Chairman does not hold the position of Chief Executive Officer.

The ASX Guidelines recommend listed entities establish a nomination committee. The Company does not have a separately established nomination committee and has therefore not complied with recommendation 2.1. However responsibilities of the full Board include the duties and responsibilities typically delegated to such a committee. Given the size and the Company's current stage of development, the Board does not believe that any marked efficiencies or enhancements would be achieved by the creation of a separate nomination committee.

Directors are initially appointed by the full Board subject to election by Shareholders at the next Annual General Meeting. Under the Company's Constitution, the tenure of Directors (other than Managing

Director) is subject to reappointment by Shareholders not later than the third anniversary following their last appointment. Subject to the requirements of the Corporations Act 2001, the Board does not subscribe to the principle of retirement age and there is no maximum period of service as a Director. A Managing Director may be appointed for any period and on any terms the Directors think fit and, subject to the terms of any agreement entered into, the Board may revoke any appointment.

When a new Director appointment is to be made the remaining Board members will seek a candidate who has relevant industry experience, time availability to devote to the position of director and appropriate skills and expertise that will increase or enhance Board diversity and effectiveness. Following such an appointment that Director will stand for re-election by Shareholders the next Annual General Meeting. The only publicly available policy for the nomination and appointment of Directors is the Company's Corporate Governance Statement.

The skills, experience and expertise relevant to the position held by each Director is disclosed in the Directors Report which forms part of this report, however a skills matrix is being developed in accordance with recommendation 2.2.

The Company is developing a program for inducting new Directors and providing ongoing professional development opportunities in accordance with recommendation 2.6.

The Board has determined that individual Directors have the right in connection with their duties and responsibilities as Directors, to seek independent professional advice at the Company's expense. The engagement of an outside adviser is subject to prior approval of the Chairman and this will not be withheld unreasonably. If appropriate, any advice so received will be made available to all Board members.

Principle 3 – Promote ethical and responsible decision making

The Board is responsible for setting the tone of legal, ethical and moral conduct to ensure that the Company is considered reputable by the industry and other outside entities.

This involves considering the impact of the Company's decisions on the industry, its colleagues and the general community. In summary, the Code of Conduct adopted by the Company is set out in the Corporate Governance section of the Company's website and requires that all employees and Directors:

- act with honesty and integrity
- respect the law and act accordingly
- respect confidentiality and not misuse information
- value and maintain professionalism

CORPORATE GOVERNANCE STATEMENT

- avoid conflicts of interest
- strive to be good corporate citizens on responsibilities such as, health, safety, environment, sustainable development and community, and
- have respect for each other, including by embracing diversity, openness, sharing, mutual trust and teamwork.

The Code of Conduct imposes a responsibility on individuals to report breaches of the Code to executive management or to a Director so that appropriate remedial action can be taken.

The Company is committed to maintaining the highest standards of integrity and seeks to ensure that all its activities are undertaken with efficiency, honesty and fairness. The Company has implemented a policy on trading in the Company's securities designed to ensure that all Directors, senior managers and employees of the Company act ethically and do not use confidential information for personal gain. A copy of the Company's Share Trading Policy is also available on the Company's website.

Principle 4 – Safeguard integrity in financial reporting

The ASX Guidelines recommend listed entities establish an audit committee. The Company has not complied with recommendation 4.1(a) as it does not have a separately established audit committee structured in accordance with this principle. The Board considers that due to the Company's size, an audit committee's functions and responsibilities can be adequately and efficiently discharged by the Board as a whole, operating in accordance with the Company's mechanisms designed to ensure independent judgement in decision making. The Board as a whole meets with the Company auditor separately and prior to the final sign-off of the half yearly and final annual accounts.

The Board considers and deals with matters which would ordinarily be attended to by an audit committee including:

- monitoring the Company's performance against strategy;
- approving and monitoring all significant or major business transactions;
- maintaining an appropriate organisational structure;
- appointing and monitoring the conduct and performance of management and personnel, and
- overseeing all remuneration, development and succession;
- approving and monitoring financial reporting and compliance;
- monitoring the principal risks and opportunities of the Company's business;
- ensuring appropriate risk management systems are established and reviewed;

- approving and monitoring procedures for the selection of the external auditor and rotation of external audit partners;
- assessing the performance and independence of the external auditors;
- overseeing control and accountability systems; and
- reviewing and approving corporate governance systems.

The Managing Director is accountable to the Board for management of the Company within authority levels approved by the Board and is subject to the supervision of the Board. The Managing Director and Chief Financial Officer are required to periodically declare in writing to the Board that, in their opinion the financial records of the Company have been properly maintained and that the Company's financial statements comply with the appropriate accounting standards and give a true and fair view of the Company's financial position and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

The Company's policy is to appoint external auditors who clearly demonstrate quality and independence. It is the auditor's policy to rotate engagement partners on listed companies at least every five years.

The Company's practice is to invite the auditor, in accordance with recommendation 4.3, to attend the Annual General Meeting and be available to answer Shareholder questions about the conduct of the audit and the preparation and content of the auditor's report in accordance with section 250T of the Corporations Act 2001.

Principle 5 – Make timely and balanced disclosure

The Company must comply with the continuous disclosure requirements of the ASX Listing Rules and Corporations Act 2001. The Company is required to disclose to the ASX any information which a reasonable person would expect to have a material effect on the price or value of the Company's securities unless certain exemptions from the requirements apply. To ensure the Company meets its continuous disclosure obligations the Board has nominated the Managing Director (or equivalent) and Company Secretary as responsible for all disclosure matters. Their role is to collate and where appropriate, disclose price sensitive information.

In the Company's current stage of development, matters of crucial importance arise regularly. The Managing Director (or equivalent) will discuss significant issues with the Board members who jointly will make a decision on the timely release of factual and balanced information concerning the Company's activities.

CORPORATE GOVERNANCE STATEMENT

A copy of the Company's continuous disclosure policy is also available on the Company's website.

Principle 6 – Respect the rights of shareholders

The Company places considerable importance on effective communications with Shareholders. The Board endeavours to ensure that security holders are informed of all the activities affecting the Company. Information is conveyed to security holders via the annual report, quarterly reports and other announcements which are delivered to the ASX and posted on the Company's website. Security holders with access to the internet are encouraged to submit their email address to receive electronic copies of information distributed by the Company. Hard copies of this information are available on request.

The Board encourages the attendance of security holders at the Annual General Meeting and specifically convened General Meetings by holding those meetings in a location accessible by a large number of security holders.

The Company also posts all reports, ASX and media releases and copies of significant business presentations on the Company's website at www.foxresources.com.au and encourages security holders to email questions & requests to the Company and the Securities Registrar for review, consideration & response by the Board.

The Board has adopted a policy to promote effective communication with security holders. A copy of the policy is also available on the Company's website.

Principle 7 - Recognise and manage risk

The Board is responsible for the oversight of the Group's risk management and control framework, in lieu of a risk committee. Responsibility for control and risk management is delegated to the appropriate level of management within the Group with the Managing Director and Chief Financial Officer (or equivalent) having ultimate responsibility to the Board for the risk management and control framework.

Although the Company does not have an internal audit function, areas of material business risk to the Group are contained in the Business Plan, outlining the responsibilities of the Board and management, adopted by the Board and managed by the Managing Director (or equivalent). A review was undertaken during the 2013/14 reporting period.

Arrangements put in place by the Board to monitor risk management include monthly reporting to the Board in respect of compliance, operations, environment and the financial position of the Group.

The Company's Managing Director (or equivalent) and Chief Financial Officer (or equivalent) report in writing to the Board that the consolidated financial statements of the Company and its controlled entities for each half and full year present a true and fair view, in all material aspects, of the Company's financial condition and operational results and are in accordance with accounting standards.

The above report is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board and that the Company's risk management and internal compliance and control framework is operating efficiently and effectively in all material respects.

The Board is not aware of any material exposure to economic, environmental and social sustainability risks.

The Board also receives a declaration pursuant to section 295A of the Corporations Act 2001 from the Chief Executive Officer (or equivalent) & the Chief Financial Officer prior to the approval of the Directors' Declaration and the Financial Statements.

Principle 8 – Remunerate fairly and responsibly

The Company does not have a formal remuneration policy and has not established a separate remuneration committee and therefore does not comply with recommendation 8.1. Due to the stage of development and small size of the Company a separate remuneration committee was not considered to add any efficiency to the process of determining the levels of remuneration for Directors and key executives. The Board considers it more appropriate to set aside time at a Board meeting each year to specifically address matters that would ordinarily fall to a remuneration committee such as reviewing remuneration, recruitment, retention and termination procedures and evaluating senior executives remuneration packages and incentives.

In addition, all matters of remuneration will continue to be in accordance with the Corporations Act requirements, especially with regard to related party transactions. That is, none of the Directors participate in any discussions or deliberations regarding their own remuneration or related issues.

The Company's broad remuneration policy is to ensure that remuneration properly reflects the relevant person's duties and responsibilities, and that the remuneration is competitive in attracting,

CORPORATE GOVERNANCE STATEMENT

retaining and motivating people of the highest quality. The Board believes that the best way to achieve this objective is to provide Executive Directors and executives with a remuneration package consisting of fixed components and equity based remuneration that reflect the person's responsibilities, duties and personal performance.

The Company does not permit Directors and employees, who are granted options, to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in its equity based remuneration scheme.

Remuneration is currently in accordance with the general principles recommended by the ASX, that is, Non-Executive Directors receive a fixed fee for their services and do not receive performance based remuneration. Fees for Non-Executive Directors are not linked to the performance of the Company.

The remuneration of Non-Executive Directors is determined by the Board as a whole having regard to the level of fees paid to non-executive directors by other companies of similar size in the industry, and the level of involvement in the Company's affairs.

There are no schemes for retirement benefits for Non-Executive Directors.

The Company is required to disclose in its annual report details of Directors remuneration. A detailed explanation of the basis and quantum of remuneration is set out in the Remuneration Report section of the Directors' Report.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

& OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2014

	Notes	Consolidated	
		2014 \$	2013 \$
Revenue	3(a)	531,549	1,480,520
Other Income	3(b)	11,963	481,727
Staffing costs		(489,226)	(733,651)
Consultancy expenses		(540,301)	(319,570)
Rental expenses		(115,016)	(262,279)
Insurance expense		(120,105)	(149,810)
Legal expenses		(82,469)	(216,323)
Travel expenses		(36,852)	(202,358)
Accountancy and audit fees		(138,080)	(135,869)
Assays		-	(138,191)
Printing, Stationary and postage		(76,732)	(120,544)
Repairs and Maintenance		2,163	(88,425)
Consumables		(3,725)	(26,493)
Bank charges		(15,049)	(41,775)
Share registry and exchange expenses		(114,560)	(65,682)
Supplies and services		(250,438)	(625,725)
Depreciation expense	9	(386,764)	(477,835)
Share based payment	16(a)	(114,166)	-
Impairment on property, plant and equipment	9	(463,774)	-
Impairment loss on exploration and evaluation	11	(1,150,211)	(12,588,405)
Impairment loss on capital work in progress	9	-	(2,404,595)
Exploration and evaluation write off	11	(247,332)	(178,964)
Other expenses		(69,024)	(2,145,984)
Finance costs	3(c)	(741,466)	(564,384)
Loss before income tax		(4,609,615)	(19,524,615)
Income tax	4	310,369	796,070
Loss after income tax expense		(4,299,246)	(18,728,545)
Other Comprehensive Income			
Other Comprehensive Income		-	-
Income tax relating to comprehensive income		-	-
Total Other Comprehensive income, after tax		-	-
Total Comprehensive (Loss) attributable to members of the parent		(4,299,246)	(18,728,545)
Basic and diluted loss per share for the year attributable to ordinary equity holders of the parent (cents)	21	(0.81)	(4.44)

The above Consolidated Statement of Profit or Loss and other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2014

	Notes	Consolidated	
		2014 \$	2013 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	138,494	129,842
Trade and other receivables	6	215,174	635,887
Inventory	7	-	8,844
Other financial assets	8	51,808	74,392
		405,476	848,965
Assets classified as held for sale	27	3,511,101	-
TOTAL CURRENT ASSETS		3,916,577	848,965
NON-CURRENT ASSETS			
Property, Plant and equipment	9	1,227,676	1,948,338
Exploration and evaluation expenditure	11	17,636,662	19,497,144
Other financial assets	8	78,481	1,233,527
TOTAL NON CURRENT ASSETS		18,942,819	22,679,009
TOTAL ASSETS		22,859,396	23,527,974
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	2,869,873	2,831,117
Interest bearing liabilities	13	5,028,954	7,336,779
Provisions	14	28,661	170,155
TOTAL CURRENT LIABILITIES		7,927,488	10,338,051
NON-CURRENT LIABILITIES			
Provisions	14	3,784,344	3,783,506
TOTAL NON-CURRENT LIABILITIES		3,784,344	3,783,506
TOTAL LIABILITIES		11,711,832	14,121,557
NET ASSETS		11,147,564	9,406,417
EQUITY			
Issued capital	15(a)	125,892,624	119,966,397
Other reserves	16	150,346	36,180
Accumulated losses	16	(114,895,406)	(110,596,160)
TOTAL EQUITY		11,147,564	9,406,417

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2014

	Note	Consolidated	
		2014	2013
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from other revenue		507,300	982,386
Sundry Income		11,963	481,727
R&D Tax Offset		310,369	796,070
Payments to suppliers and employees		(1,745,939)	(4,863,825)
Interest paid		(26,198)	-
NET CASH (USED IN) OPERATING ACTIVITIES	24(a)	(942,505)	(2,603,642)
CASHFLOWS FROM INVESTING ACTIVITIES			
Interest received		24,129	86,455
Exploration and Evaluation expenditure		(1,920,921)	(2,605,813)
Payments for Plant and equipment		-	(24,859)
Proceeds on sale of plant and equipment		-	3,727
Proceeds from refund of security deposits		1,155,046	-
NET CASH (USED IN) INVESTING ACTIVITIES		(741,626)	(2,540,490)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from share issues		910,309	1,640,000
Share issue costs		(190,430)	(11,465)
Proceeds from borrowings		2,391,000	4,289,866
Borrowing costs		(72,961)	(151,077)
Repayment of borrowings and hire purchase		(1,345,135)	(731,800)
NET CASH INFLOW FROM FINANCING ACTIVITIES		1,692,783	5,035,524
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		8,652	(108,608)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		129,842	238,450
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	5	138,494	129,842

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2014

		Issued Capital \$	Accumulated Losses \$	Other Reserves \$	Total Equity \$
	Notes				
CONSOLIDATED					
At 1 July 2012		117,599,362	(91,867,615)	36,180	25,767,927
Loss for the period		-	(18,728,545)	-	(18,728,545)
Other Comprehensive Income		-	-	-	-
Shares issue expenses		(11,465)	-	-	(11,465)
Issue of share capital		2,378,500	-	-	2,378,500
At 30 June 2013		119,966,397	(110,596,160)	36,180	9,406,417
At 1 July 2013		119,966,397	(110,596,160)	36,180	9,406,417
Loss for the period		-	(4,299,246)	-	(4,299,246)
Other Comprehensive Income		-	-	-	-
Issue of share capital	15(b)	6,241,657	-	-	6,241,657
Shares issue expenses	15(b)	(315,430)	-	-	(315,430)
Share based payments	16(a)	-	-	114,166	114,166
At 30 June 2014		125,892,624	(114,895,406)	150,346	11,147,564

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

1 CORPORATE INFORMATION

The financial report of Fox Resources Ltd for the year ended 30 June 2014 was authorised for issue in accordance with a resolution of the directors on 30 September 2014.

The financial statements cover the Group of Fox Resources Limited and its controlled entities. Fox Resources Ltd is a company limited by shares incorporated in Australia and whose shares are publicly traded on the Australian Securities Exchange. Fox Resources Ltd is a for profit entity for the purposes of preparing the financial statements.

The nature of the operations and principal activities of Fox Resources Ltd is the exploration for base metals, coal and the development of a heap leaching operation to produce nickel and copper products.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accrual basis, except for cash flow information, and is based on historical costs with the exception of available for sale investments measured at fair value. This financial report has been presented in Australian dollars.

(b) Going Concern

For the year ended 30 June 2014, the Consolidated entity incurred a net loss of \$4,299,246 (2013: 18,728,545) and the net operating cash outflow was \$942,505 (2013: \$2,603,642). As at 30 June 2014 the consolidated entity had current liabilities exceeding current assets by \$4,010,911 (2013: \$9,489,086). In the forthcoming financial year, the Company and the consolidated entity will be required to meet various commitments (refer Note 20) which require funds that are above and beyond the working capital of the consolidated entity at 30 June 2014. These commitments include continuing base metal and coal exploration across the consolidated entity's base metals and coal projects as well as existing creditors.

The financial statements have been prepared on the basis that the Company and consolidated entity will continue to meet their commitments and can therefore continue normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The continuation as a going concern is dependent upon obtaining further funding and managing discretionary expenditure as required. In arriving at this position, the directors are reviewing various funding alternatives to meet these commitments. These funding alternatives include:

1. Future raisings through various equity issues.
2. The Directors and major shareholders continuing to provide financial support to the Company in the form of short term loans.
3. Divesting non-core assets.

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

Subsequent to year-end, Jungle Creek Gold Mines Pty Ltd agreed to continue to financially support the company until the earlier of the sale of the Queensland Coal tenements or 30 September 2015.

Considering the matters described above and the recent significant subsequent transaction disclosed in Note 30, the directors have a reasonable expectation that the consolidated entity and the Company have adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the annual report and accounts.

Should the Company and the consolidated entity not achieve matters set out above there is significant uncertainty whether the Company and consolidated entity will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the ordinary course of business and at the amounts stated in the financial statements.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded amounts, nor to the amounts or classification of liabilities that might be necessary should the Company and the consolidated entity not be able to continue as a going concern.

(c) **New and revised standards that are effective for these financial statements**

A number of new and revised standards are effective for annual periods beginning on or after 1 July 2013. Information on these new standards is presented below.

AASB 10 Consolidated Financial Statements

AASB 10 supersedes AASB 127 Consolidated and Separate Financial Statements (AASB 127) and AASB Interpretation 112 Consolidation - Special Purpose Entities. AASB 10 revises the definition of control and provides extensive new guidance on its application. These new requirements have the potential to affect which of the Group's investees are considered to be subsidiaries and therefore to change the scope of consolidation. The requirements on consolidation procedures, accounting for changes in non-controlling interests and accounting for loss of control of a subsidiary are unchanged.

Management has reviewed its control assessments in accordance with AASB 10 and has concluded that there is no effect on the classification (as subsidiaries or otherwise) of any of the Group's investees held during the period or comparative periods covered by these financial statements.

AASB 11 Joint Arrangements

AASB 11 supersedes AASB 131 Interests in Joint Ventures (AASB 131) and AASB Interpretation 113 Jointly Controlled Entities- Non-Monetary-Contributions by Venturers. AASB 11 revises the categories of joint arrangement, and the criteria for classification into the categories, with the objective of more closely aligning the accounting with the investor's rights and obligations relating to the arrangement. In addition, AASB 131's option of using proportionate consolidation for arrangements classified as jointly controlled entities under that Standard has been eliminated. AASB 11 now requires the use of the equity method for arrangements classified as joint ventures (as for investments in associates). This implementation does not have a material impact on the financial statements.

AASB 12 Disclosure of interests in Other Entities

AASB 12 integrates and makes consistent the disclosure requirements for various types of investments, including unconsolidated structured entities. It introduces new disclosure requirements about the risks to which an entity is exposed from its involvement with structured entities.

AASB 13 Fair Value Measurement

AASB 13 clarifies the definition of fair value and provides related guidance and enhanced disclosures about fair value measurements. It does not affect which items are required to be fair-valued. The scope of AASB 13 is broad and it applies for both financial and non-financial items for which other Australian Accounting Standards require or permit fair value measurements or disclosures about fair value measurements, except in certain circumstances. The adoption of the standard has not had a material impact on the financial statements.

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

AASB 119 Employee benefits

The amendments to AASB 119 made a number of changes to the accounting for employee benefits. Under the amendments, employee benefits 'expected to be settled wholly' (as opposed to 'due to be settled' under the superseded version of AASB 119) within 12 months after the end of the reporting period are short-term benefits and are therefore not discounted when calculating leave liabilities. This change has no impact on the presentation of annual leave as a current liability in accordance with AASB 101 Presentation of Financial Statements. This implementation does not have a material impact on the financial statements.

Accounting Standards Not Yet Applied

AASB Financial Instruments (effective date for annual reporting periods beginning from 1 January 2018)

AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities. The Group has not yet assessed the full impact of AASB 9 as this standard does not apply until the year ended 30 June 2019.

AASB 2013-3 Amendments to Australian Accounting Standards Recoverable Amount Disclosures for Non-Financial Assets (effective date for annual reporting periods beginning from 1 January 2014)

AASB 2013-3 amendments address disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. When these amendments are first adopted for the year ended 30 June 2015 they are unlikely to have any significant impact on the entity.

(d) Basis of consolidation

The Group financial statements consolidate those of the Parent Company and all of its subsidiaries as of 30 June 2014. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 30 June.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

(e) Foreign currency translation

Both the functional and presentational currency of Fox Resources Limited and its Australian subsidiaries is Australian dollars.

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All exchange differences in the consolidated financial report are taken to profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

(f) **Property, plant and equipment**

Plant and equipment is stated at cost less accumulated depreciation and any impairment in value.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Plant and equipment	over 3 to 5 years
Motor Vehicles	over 3 to 5 years
Furniture and fittings	over 3 to 15 years
Computer equipment	over 2 to 3 years
Building	over 5 to 15 years

Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If any indication of impairment exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. Any impairment loss is recognised in profit or loss.

De-recognition and disposal

An item of property, plant and equipment is derecognised on disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on the de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

(g) **Borrowing costs**

Borrowing costs are expensed as incurred. Borrowing costs directly associated with qualifying assets are capitalised.

(h) **Impairment of non-financial assets**

At each reporting date, the Group assesses whether there is any indication that a non-financial asset may be impaired. Where an indicator of impairment exists, the Group makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset.

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since

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the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(i) Investments and other financial assets

Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provision to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expenses to profit or loss immediately.

Classification and subsequent measurement

Finance instruments are subsequently measured at either of fair value, amortised costs using the effective interest rate method, or costs. Fair value represents the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- a. the amount at which the financial asset or financial liability is measured at initial recognition;
- b. less principal repayments;
- c. plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- d. less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to the expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or enable performance evaluation where a Group of financial assets is managed by key management personnel on a fair value basis in accordance

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with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets.)

(iii) *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Group's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other investments are classified as current assets.)

If during this period the Group sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments category would be tainted and reclassified as available-for-sale.

(iv) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise of investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other financial assets are classified as current assets.)

(v) *Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

(vi) *Fair value*

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

(vii) *Impairment*

At each reporting date, the Group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in profit or loss.

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(j) Trade and other receivables

Trade receivables are recognised and carried at original invoice amount less an allowance for any uncollectable amounts.

An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

(k) Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purpose of the consolidated Statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(l) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(m) Share-based payment transactions

The Group provides benefits to employees (including directors) of the Group in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ("equity-settled transactions").

There is currently one plan in place to provide these benefits being the Employee Share Option Plan (ESOP), which provides benefits to directors and senior executives.

The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial model.

In valuing equity-settled transactions no account is taken of any performance conditions, other than conditions linked to the price of the shares of Fox Resources Limited.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("vesting date").

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects

- (i) the extent to which the vesting period has expired; and
- (ii) the number of awards that, in the opinion of the directors of the Group, will ultimately vest.

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This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The profit or loss charge or credit for a period recognises the movement in cumulative expense recognised as at the beginning and end of the period.

No expense is recognised for awards that do not ultimately vest, except when vesting is conditional only on market performance conditions.

If the terms of equity settled contract are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity settled award is cancelled, it is treated as if it had vested on the date on cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

(n) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments.

Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases.

Operating lease payments are recognised as an expense in the profit or loss on a straight-line basis over the lease term. Lease incentives are recognised in the profit or loss as an integral part of the lease.

(o) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest Revenue

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

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Rental Revenue

Revenue is recognised from the leasing of rooms of the accommodation camp in arrears and when it can be measured reliably.

(p) Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences:

1. except when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
2. in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised:

1. except where the deferred income tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
2. in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the profit or loss

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Rebates received for research and development tax concessions are recognised in the profit or loss.

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AS AT 30 JUNE 2014

(q) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- receivables and payables are stated with the amount of GST included.
- The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(r) Areas in Exploration and Evaluation

Exploration and evaluation costs related to an area of interest are carried forward only when rights of tenure to the area of interest are current and provided that one of the following conditions is met:

- Such costs are expected to be recouped through successful development and exploitation of the area of interest, or alternatively by its sale; or
- Exploration and/or evaluation activities in the area of interest have not yet reached a state which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area are continuing.

Costs carried forward in respect of an area of interest that is abandoned are written off in the year in which the decision to abandon is made.

Refer to Note 26 for assessment of impairment.

(s) Provisions for Site Restoration

The Group records the present value of the estimated cost of legal and constructive obligations (such as those under the Group's Environmental Policy) to restore operating locations in the period in which the obligation is incurred. The nature of restoration activities includes dismantling and removing structures, rehabilitating mines, dismantling operating facilities, closure of plant and waste sites and restoration, reclamation and revegetation of affected areas.

Typically the obligation arises when the asset is installed at the production location. When the liability is initially recorded, the estimated cost is capitalised by increasing the carrying amount of the related mining assets. Additional disturbances or changes in rehabilitation costs will be recognised as additions or changes to the corresponding asset and rehabilitation liability when incurred.

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(t) Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the reporting period that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

(u) Interest-Bearing Loans and Borrowings

All loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of transaction costs.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

Gains and losses are recognised in the profit or loss when the liabilities are derecognised and as well as through the amortisation process.

(v) Earnings Per Share ("EPS")

Basic EPS is calculated as net profit attributable to members, adjusted to exclude costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted EPS is calculated as the net profit attributable to members, adjusted for:

- Costs of servicing equity (other than dividends);
- The after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- Other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(w) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(x) Interests in Joint Arrangements

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

Where the Group's activities are conducted through joint operations, the Group recognises its assets (including its share of any assets held jointly), its liabilities (including its share of any liabilities incurred jointly), its share of the revenue from the sale of the output by the joint operation and its expenses (including its share of any expenses incurred jointly).

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

Where the Group's activities are conducted through a joint venture, the Group recognises its interests in the joint venture using the equity method.

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Under the equity method, the investment in the joint venture is carried in the statement of financial position at cost plus post acquisition changes in the Group's share of net assets of the joint venture. Goodwill relating to the joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The profit or loss reflects the Group's share of the results of operations of the joint venture. Where there has been a change recognised directly in other comprehensive income or equity of the joint venture, the Group recognises its share of any changes and discloses this, when applicable, in the statement of profit or loss and other comprehensive income or the statement of changes in equity, as appropriate. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

The share of the joint venture's net profit / (loss) is shown on the face of profit or loss. This is the profit / (loss) attributable to venturers in the joint venture.

The financial statements of the joint venture are prepared for the same reporting period as the venturer. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Details of interests in joint arrangements are shown at Note 18.

(y) Employee benefits

(i) Wages and salaries, superannuation, sick leave

Liabilities for wages, salaries and superannuation, including non-monetary benefits and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables.

(ii) Annual leave

Liabilities for annual leave are recognised as a current provision.

(iii) Long Service Leave

Liabilities for long service leave are recognised as a current provision.

(iv) Employee benefit on-costs

Employee benefit on costs, including payroll tax, are recognised and included in other payables.

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AS AT 30 JUNE 2014

3 REVENUE, OTHER INCOME AND FINANCE COSTS

	Consolidated	
	2014 \$	2013 \$
(a) Revenue		
Finance revenue – bank interest	24,249	86,455
Accommodation camp rental Income	507,300	1,394,065
	531,549	1,480,520
(b) Other Income		
Other	11,963	481,727
	11,963	481,727
(c) Finance costs		
Interest on loan from director-related and other entities	(715,268)	(454,310)
Finance charges payable under hire purchase contracts	(26,198)	(110,074)
	(741,466)	(564,384)

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

4 INCOME TAX

	Consolidated	
	2014	2013
	\$	\$
Reconciliation to income tax expense on accounting profit		
Accounting (loss) before income tax	(4,609,615)	(19,524,615)
Tax payable at the statutory income tax rate	(1,382,884)	(5,857,385)
Expenditure not allowable for income tax purposes:		
Non-deductible expenses	35,199	1,745
Current year R&D benefit	-	211,847
Tax losses not recognised	1,347,685	5,028,028
Prior year R&D benefit	(310,369)	(180,305)
	(310,369)	(796,070)
Net Deferred Tax recognised arising on:		
Deferred tax assets		
Tax losses	5,492,537	4,997,352
	5,492,537	4,997,352
Deferred tax liabilities		
Exploration and evaluation assets	(5,492,537)	(4,997,352)
	(5,492,537)	(4,997,352)
Net deferred tax	-	-
Deferred Tax Asset not recognised arising on:		
Tax losses	28,458,439	27,502,711
Capital losses	9,030	9,030
	28,467,469	27,511,741

The Income Tax Benefits in 2014 and 2013 represent Research and Development tax credits received from the Australian Taxation Office.

The Group has tax losses arising in Australia of \$113,169,920 (2013: \$110,121,603) that are available indefinitely for offset against future taxable profits of the companies in which the losses arose. These losses are only available if the Group satisfies specific requirements in the tax year in which they were recouped.

Tax consolidation

For the purposes of income taxation, Fox Resources Limited and its 100% owned subsidiaries have formed a tax consolidated group in 2004. Fox Resources Limited is the head entity of the tax consolidated group. Members of the group have entered into a tax sharing arrangement in order to allocate income tax expense to the wholly owned subsidiaries. In addition the agreement provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. At the balance date, the possibility of default is remote.

Tax effect accounting by members of the tax consolidated group

Tax expense / income, deferred tax liabilities and deferred tax assets arising from temporary differences are recognised in the separate financial statements of the members of the tax consolidated group using the group allocation method. Current tax liabilities and assets and deferred tax

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

assets arising from unused tax losses and tax credits of the members of the tax consolidated group are recognised by the Company (as head entity in the tax consolidated group).

Members of the tax consolidated group have entered into a tax funding agreement. Under the terms of the tax funding agreement each member of the tax consolidated group has agreed to pay a tax equivalent payment to or from the head entity, based on the current tax liability or current tax asset of the entity. Such amounts are reflected in amounts receivable from or payable to other members of the tax consolidated group.

5 CASH AND CASH EQUIVALENTS

	Consolidated	
	2014 \$	2013 \$
Cash at bank	138,494	129,842
	138,494	129,842

Cash at bank earns interest at floating rates based on daily bank deposit rates. The weighted average interest rate on the cash accounts was 1 % (2012: 1%).

6 TRADE AND OTHER RECEIVABLES

	Consolidated	
	2014 \$	2013 \$
Current		
Trade debtors	99,729	625,887
Other debtors	115,445	10,000
	215,174	635,887

Terms and conditions relating to the above financial instruments:

Trade and other debtors are non-interest bearing and generally repayable within 14-30 days. All Trade and Other debtors are within terms and not considered past due or impaired.

7 INVENTORY

	Consolidated	
	2014 \$	2013 \$
Current		
Consumables and stores – at net realisable value	-	8,844
	-	8,844

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

8 OTHER ASSETS

	Consolidated	
	2014 \$	2013 \$
Current		
Prepayments	12,042	74,392
Other financial assets	39,766	-
	51,808	74,392

Current other financial assets represent bonds for office premises and credit cards.

Non-Current		
Other financial assets	78,481	1,233,527
	78,481	1,233,527

Non-current other financial assets represent bonds for mineral tenements and the Radio Hill accommodation village. Term deposit bonds are secured to cover guarantees and have been treated as non-current as they are unlikely to mature within the next twelve months.

The decrease in other financial assets is due to the release of performance bonds of \$1.16m on various tenements associated with the Mount Oscar Joint Venture and the Radio Hill Project, which was received at the end of December 2013.

9 PROPERTY, PLANT AND EQUIPMENT

	Consolidated	
	2014 \$	2013 \$
Plant and equipment – at cost	5,534,812	8,045,135
Less: accumulated depreciation	(3,843,363)	(5,037,538)
Less: accumulated impairment loss	(463,774)	(1,059,259)
Net carrying amount	1,227,676	1,948,338

Movement in property, plant and equipment

At 1 July, net of accumulated depreciation and impairment	1,948,338	2,537,573
Additions	129,876	24,275
Disposals	-	(135,675)
Depreciation expense	(386,764)	(477,835)
Impairment (note 26)	(463,774)	-
At 30 June, net of accumulated depreciation and impairment	1,227,676	1,948,338

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

	Consolidated	
	2014 \$	2013 \$
Capital Work in Progress		
Capital WIP – at cost	-	-
Net carrying amount	-	-
Movement in Capital WIP		
At 1 July	-	2,404,595
Additions	-	-
Provision for Impairment	-	(2,404,595)
At 30 June	-	-
Total property, plant & equipment and Capital WIP	1,227,676	1,948,338

Capital WIP related to plant and equipment that had been purchased for the heap leaching operation. This was fully impaired during 2013.

Assets pledged as security

Leased assets and assets under hire purchase are pledged as security for the related finance lease and hire purchase liabilities. The carrying amount of assets pledged as security is \$104,389 (2013:\$2,594,881).

10 INVESTMENT IN CONTROLLED ENTITIES

Name of Entity	Percentage Owned		Class of Share	Principal Activity
	2014 %	2013 %		
Parent				
Fox Resources Limited				
Controlled Entities				
Fox Radio Hill Pty Ltd	100	100	Ordinary	Mining & Exploration
Newcity Corporation Pty Ltd	100	100	Ordinary	Mining & Exploration
Gascoyne Mines Pty Ltd	100	100	Ordinary	Mining & Exploration
Fox Energy Pty Ltd	100	100	Ordinary	Mining & Exploration
Waterford Coal Pty Ltd	100	100	Ordinary	Mining & Exploration

All companies are incorporated in Australia.

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

11 EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated	
	2014 \$	2013 \$
Costs carried forward in respect of:		
Exploration and evaluation phase - at cost		
Balance at beginning of year	19,497,144	29,073,101
Acquisitions	725,000	1,000,000
Expenditure incurred	2,323,163	2,247,512
Expenditure written off	(247,332)	(178,964)
	22,297,974	32,141,649
Movement in provision for rehabilitation (note 14)	-	(56,100)
Provision for Impairment (note 26)	(1,150,211)	(12,588,405)
Reclassification to assets held for sale (note 27)	(3,511,101)	-
	17,636,662	19,497,144

\$725,000 of ordinary shares in Fox was issued to XLX Exploration as consideration for the acquisition of the tenements. The number of shares issued to XLX Exploration totals 16,628,440. A further \$725,000 worth of ordinary shares in Fox if certain levels of JORC compliant thermal or coking coal resources are identified within 5 years of acquisition and a 0.95625% gross proceeds royalty in respect of Fox's interest in the tenements is also payable to the vendors under the terms of the acquisition agreement.

12 TRADE AND OTHER PAYABLES

	Consolidated	
	2014 \$	2013 \$
Current		
Trade creditors	1,813,279	2,056,157
Other creditors	1,056,594	774,960
Total Trade and other payables	2,869,873	2,831,117
Aggregate amounts payable to related parties (included above)		
Other related parties. (Refer to Note 23)	774,691	526,375

All amounts are short-term. The carrying values of trade payables and other payables are considered to be a reasonable approximation of fair value

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

13 INTEREST BEARING LIABILITIES

		Consolidated	
		2014 \$	2013 \$
Current			
Related party loans	(a)	4,859,823	5,993,158
Insurance Premium Funding		28,130	80,680
Hire Purchase	(b)	10,822	752,969
Other loan	(c)	130,179	509,972
		5,028,954	7,336,779

(a) Related and Third Party Loans

This relates to loans from Jungle Creek Gold Mines Pty Ltd, Zashvin Pty Ltd & R & D White. Refer to full details at Note 23.

(b) Security for hire purchase

Hire purchase loans are effectively secured as the rights to the assets revert to the owner in the event of default. (Refer to Note 20(b)).

(c) Murdoch Capital Funding

The terms of the loan are that interest is accrued at a rate of 8% per annum with the loan repayable within one year. The interest on the loan is repayable in cash every quarter. Under the terms of the agreement, Murdoch Capital Funding may elect for the loan to be repaid by the issue of shares. Any extension to the term of the loans above were negotiated and resulted in fully paid ordinary shares being issued at nil cost for these extensions.

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

14 PROVISIONS

	Consolidated	
	2014 \$	2013 \$
Current		
Employee entitlements	28,661	170,155
Movements in provisions		
At 1 July	170,155	374,990
Entitlements incurred / (paid out)	(141,494)	(204,835)
	28,661	170,155
Non-Current		
Employee entitlements	838	-
Rehabilitation	3,783,506	3,783,506
	3,784,344	3,783,506
Movements in provisions		
At 1 July	3,783,506	3,727,406
Additional Provision	838	56,100
	3,784,344	3,783,506

Rehabilitation Provision for Fox Radio Hill

The Board of Directors recognised that the environmental provision at the Fox Radio Hill Mine should be reviewed to accurately reflect the reasonable cost of rehabilitating the mine site. In 2012 the Board engaged an independent environmental consultant to design a rehabilitation plan to rehabilitate the mine site; the costs associated with the rehabilitation have been reviewed and compared to updated costs for activities in the region. While there has been significant reduction in several of the costs included in the rehabilitation plan, since the initial estimate was provided, the Board considers it prudent to maintain the rehabilitation provision based on the 2012 rehabilitation plan. The accounting policy on the amortisation of the rehabilitation provision will be decided once production resumes at the Radio Hill Mine.

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

15 CONTRIBUTED EQUITY

	Consolidated	
	2014 \$	2013 \$

(a) Issued and paid up capital

Ordinary shares fully paid	125,892,624	119,966,397
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(b) Movement in shares on issue

	2014	
	Shares	\$
Balance at beginning of year	466,707,397	119,966,397
Issue of ordinary shares	375,223,729	6,241,657
Less transaction costs	-	(315,430)
Total issued and paid up capital	841,931,126	125,892,624

(c) Share options

At the end of the year there were 277,227,755 (2013: nil) unissued ordinary shares in respect of which listed options were outstanding.

At the end of the year there were 15,935,897 (2013: 2,720,000) unissued ordinary shares in respect of which unlisted options were outstanding.

Listed options to subscribe to ordinary shares

	2014	2013
	No.	No.
Balance at beginning of year	-	-
Issued	277,227,755	-
Cancelled / Forfeited	-	-
Balance at end of year	277,227,755	-

Unlisted options to subscribe to ordinary shares

	2014	2013
	No.	No.
Balance at beginning of year	2,720,000	4,020,000
Issued	15,935,897	-
Cancelled / Forfeited	(2,720,000)	(1,300,000)
Balance at end of year	15,935,897	2,720,000

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

(d) Detail of Share option issues

Number of Listed Options	Exercise Price	Expiry Date
277,227,755	0.04	30/06/2016
277,227,755		

Number of Unlisted Options	Exercise Price	Expiry Date
4,000,000	0.0261	02/10/2015
769,231	0.0156	01/11/2015
833,333	0.0144	03/12/2015
833,333	0.0144	27/12/2015
4,000,000	0.0600	30/06/2017
833,333	0.0144	31/01/2016
1,666,667	0.0072	27/02/2016
3,000,000	0.0072	31/03/2016
15,935,897		

During the year ended 30 June 2014, 2,720,000 unlisted employee options exercisable at \$0.15 each on or before 1 June 2014 expired.

All of the options on issue at 30 June 2014 are exercisable.

(e) Terms and conditions of contributed equity

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

(f) Capital Management Policy

Management controls the capital of the Group in order to maintain a good debt to equity ratio, provide the shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern.

The Group's debt and capital includes share capital and financial liabilities, supported by financial assets.

There are no externally imposed capital requirements.

Management effectively manages the Groups capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels and share issues. As at 30 June 2014 working capital was (\$4,010,911) compared to (\$9,489,086) in 2013. This is mainly caused by the level of short-term interest bearing liabilities.

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

16 OTHER RESERVES AND ACCUMULATED LOSSES

	Consolidated	
	2014 \$	2013 \$
Employee/Director equity benefit reserve (a)	150,346	36,180
Other reserves	150,346	36,180
Accumulated losses (b)	(114,895,406)	(110,596,160)

(a) Employee/Director equity benefits reserve

Balance at beginning of year	36,180	36,180
Share-based payment expense	114,166	-
Balance at end of year	150,346	36,180

This reserve is used to record the value of equity benefits provided to employees and directors as part of their remuneration under the Company's Employee Share Option Plan. Further information about the share based payments is made in Note 28.

(b) Accumulated losses

	Consolidated	
	2014 \$	2013 \$
Balance at beginning of year	(110,596,160)	(91,867,615)
Net loss for the period	(4,299,246)	(18,728,545)
Balance at end of year	(114,895,406)	(110,596,160)

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

17 SEGMENT REPORTING

The consolidated entity is involved in the exploration for base metals and evaluation of a heap leaching operation.

Management currently identifies the Groups exploration activities as its main business operating segment while the heap leach evaluation activities are secondary. Each of these operating segments is managed separately as each of these activities requires different technologies and other resources. The Exploration segment includes all activities associated with the exploration of base metals, coal and iron ore. The activities historically undertaken by the Heap Leach segment included the metallurgical/development test work, mining, processing and sale of base metals. The Heap Leach segment is not currently active due to the current nickel price however it is included for accounting continuity.

Under AASB 8, reported segment profits/ (losses) are based on internal management reporting information that is regularly reviewed by the chief operating decision maker, and is reconciled to Group profit or loss on the following page. The measurement policies the Group uses for segment reporting under AASB 8 are the same as those used in its financial statements.

Transactions between reportable segments are included in segment totals.

The revenues and profit generated by each of the Group's business segments are summarised as follows:

Segment Profit / (Loss)

30 June 2014	Heap Leach \$	Exploration \$	Consolidated \$
Revenue			
Camp revenue	-	507,300	507,300
Interest revenue	-	24,249	24,249
Total segment revenue	-	531,549	531,549
Other income		11,963	11,963
Total group income	-	543,512	543,512
<i>Reconciliation of segment result to group net profit/loss before tax</i>			
<i>i. Amounts not included in segment result but reviewed by Board</i>			
- Depreciation and amortisation	-	(386,764)	(386,764)
- Impairment of property, plant and equipment	-	(463,774)	(463,774)
- Impairment & write-off of exploration and evaluation assets	-	(1,397,543)	(1,397,543)
Segment result	-	(1,704,569)	(1,704,569)
<i>ii. Unallocated items</i>			
- Finance costs			(741,466)
- Other			(2,163,580)
Net loss before tax from continuing operations			(4,609,615)

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

30 June 2013	Heap Leach \$	Exploration \$	Consolidated \$
Revenue			
Camp revenue	1,394,065	-	1,394,065
Interest revenue	86,455	-	86,455
Total segment revenue	1,480,520	-	1,480,520
Other income	481,727	-	481,727
Total group income	1,962,247	-	1,962,247

Reconciliation of segment result to group net profit/loss before tax

i. Amounts not included in segment result but reviewed by board.

- Corporate charges	(477,835)	-	(477,835)
- Depreciation and amortisation	(2,404,595)	-	(2,404,595)
- Impairment & write-off of exploration and evaluation assets	(12,588,405)	(178,964)	(12,767,369)
Segment result	(13,508,588)	(178,964)	(13,687,552)

ii. Unallocated items

- Finance Costs			(564,384)
- Other			(5,272,679)

Net loss before tax from continuing operations		-	(19,524,615)
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NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

(ii) Segment Assets

30 June 2014	Heap Leach \$	Exploration \$	Consolidated \$
Segment Assets	-	22,590,613	22,590,613
Unallocated assets			
- Cash assets			138,494
- Other financial assets			130,289
Total group assets			22,859,396
Segment asset increases/(decreases) for the period included:			
- Exploration expenditure	-	3,048,163	3,048,163
- Exploration expenditure written off	-	(247,332)	(247,332)
- Impairment of exploration & evaluation expenditure	-	(1,150,211)	(1,150,211)
	-	1,650,620	1,650,620
30 June 2013			
Segment Assets	15,622,052	6,459,317	22,081,369
Unallocated assets			
- Cash assets			129,842
- Other financial assets			1,307,919
- Available for sale assets			8,844
Total group assets			23,527,974
Segment asset increases/(decreases) for the period included:			
- Exploration expenditure	547,724	2,699,788	3,247,512
- Exploration expenditure written off	-	(178,964)	(178,964)
- Impairment of exploration and evaluation expenditure	(12,588,405)	-	(12,588,405)
- Impairment of capital work in progress	(2,404,595)	-	(2,404,595)
	(14,445,276)	2,520,824	(11,924,452)

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

(iii) Segment Liabilities

	Heap Leach	Exploration	Consolidated
30 June 2014	\$	\$	\$
Segment liabilities	-	1,610,050	1,610,050
- Provisions and trade & other payables			3,813,005
- Other financial liabilities			6,288,777
Total group liabilities			11,711,832
30 June 2013			
Segment liabilities	337,882	2,493,235	2,831,117
Unallocated liabilities:			
- Provisions			3,953,661
- Other financial liabilities			7,336,779
Total group liabilities			14,121,557

18 INTERESTS IN JOINT OPERATIONS

The parent entity has entered into the following unincorporated joint operations:

Joint Operations Project	Percentage Interest	Principal Exploration Activities
Mt Marie Joint Venture	60% (2013: 60%) (Artemis Resources NL)	Nickel and Copper Sulphides
Mt Oscar Joint Venture	100% (2013: 100%) (Magnetic South Pty Ltd)	Magnetite, Gold and base metals
Pilbara Minerals Joint Venture	40% (2013: 40%) (Pilbara Minerals NL)	Nickel Sulphides and VMS style copper and zinc systems

The joint operations are not separate legal entities but are contractual arrangements between the participants for sharing costs and output and do not in themselves generate revenue and profit. Exploration expenditure is the only asset of the joint operations. The Consolidated Entity's interest in exploration expenditure in the above mentioned joint operations is as follows:

	Mt Marie Joint Operations 60%	Mt Oscar Joint Operations 100%	Pilbara Minerals Joint Operations 40%
Non-current assets			
Exploration and evaluation assets	112,379	753,433	567,451
Impairment	(66,073)	(134,688)	(163,325)
Carrying amount	46,306	618,745	404,126

The recoverability of the carrying amount of the mineral assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

19 CONTINGENT LIABILITIES

Native Title

Mineral properties in Western Australia, as in other parts of Australia, may be subject to native title claims. It is therefore possible that mineral properties in which the Company has or acquires an interest will be subject to such claims. Until further information arises in relation to potential claims and their likelihood of success, the consolidated entity is unable to assess the likely effect, if any, of such claims.

Subsequent to 30 June 2014 the Company received two writ of summons. These are disclosed within note 30.

20 COMMITMENTS FOR EXPENDITURE

(a) Mineral Tenement Commitments

In accordance with the Western Australian Department of Mines and Petroleum, the consolidated entity has obligations to pay tenement rentals and to perform minimum work on mineral tenements held. These obligations vary from time to time in accordance with the tenements held and are expected to be fulfilled in the normal course of operations of the consolidated entity so as to avoid forfeiture of any tenement.

	Consolidated	
	2014	2013
	\$	\$
Minimum expenditure requirements		
Not later than one year	5,218,559	1,880,288
Later than one year but not later than five years	6,913,044	2,920,960
Later than five years	2,624,597	3,972,921
	14,756,200	8,774,169

(b) Hire Purchase Commitments

	2014		2013	
	Minimum lease	PV of lease	Minimum lease	PV of lease
	Payments	Payments	Payments	Payments
	\$	\$	\$	\$
Not later than one year	11,532	10,823	771,767	752,969
Later than one year but not later than five years	-	-	-	-
Total minimum lease payments	11,532	10,823	771,767	752,969
Less amounts representing finance charges	(709)	-	(18,798)	-
Present value of minimum lease payments	10,823	10,823	752,969	752,969

Leasing arrangements include a hire purchase lease of a hydraulic excavator. The lease which commenced on 1 July 2013, is a 1 year lease at which upon satisfaction of all lease payments, ownership would pass to the company. The final lease payment would be on the 8 July 2014.

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

Operating Leases

	Consolidated	
	2014 \$	2013 \$
Not later than one year	166,911	106,065
Later than one year but not later than five years	96,441	171,759
	263,352	277,824

Operating lease commitments include property and photocopiers. All leases are non-cancellable leases with remaining terms ranging from 1 – 5 years.

21 LOSS PER SHARE

The following reflects the income and share data used in the calculation of basic and diluted loss per share.

	Consolidated	
	2014 \$	2013 \$
Net loss used in calculating basic and diluted loss per share:	(4,299,246)	(18,728,545)
	Number of shares	Number of shares
Weighted average number of ordinary shares used in calculating basic and diluted loss per share	530,632,409	421,830,116

Options on issue (277,227,755) are not considered to be dilutive as the impact of including them would be to decrease the loss per share.

Refer to Note 30 for subsequent transactions. The financial statements do not include any adjustments relating to the subsequent transactions.

22 REMUNERATION OF AUDITORS

	Consolidated	
	2014 \$	2013 \$
The auditor of Fox Resources Limited in 2014 is Grant Thornton Audit Pty Ltd		
<i>Amounts received or due and receivable by Grant Thornton Audit Pty Ltd for:</i>		
- an audit or review of the financial report of the entity and any other entity in the consolidated group	34,950	40,000
	34,950	40,000

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

23 RELATED PARTY TRANSACTIONS

Details of Fox Resources Limited's wholly owned subsidiaries are included in Note 10.

Wholly-owned group transactions

Controlled entities made payments and received funds on behalf of Fox Resources Limited and other controlled entities by way of inter-company loan accounts with each controlled entity. These loans are unsecured, bear no interest and are repayable on demand; however, demand for repayment is not expected in the next twelve months.

Transactions with related parties

All transactions with related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. During the year the following transactions were entered into with related parties:

As at 1 July 2013, the Company owed Jungle Creek Gold Mines Pty Ltd, of which TEJ Streeter is a Director of the Company, \$5,478,489. During the 30 June 2014 year, the Company had entered into various agreements with Jungle Creek Gold Mines Pty Ltd, pursuant to which Jungle Creek Gold Mines Pty Ltd loaned an additional total of \$2,091,000. \$3,474,295 was repaid during the year either by cash or through issue of shares, leaving a total loan balance of \$4,586,130 inclusive of interest (2013: \$5,478,488). The terms of the loans are that interest is accrued at a rate of 8% per annum with the loan (including accrued interest) repayable as per the individual loan agreements and each loan is for twelve months. The total interest accrued to Jungle Creek Pty Ltd as at 30 June 2014 is \$490,936 (2013: 376,558). Under the terms of the agreement, Jungle Creek Gold Mines Pty Ltd may elect for the loan (including accrued interest) to be repaid, subject to shareholder approval, by the issue of shares. Jungle Creek Gold Mines Pty Ltd also has a security interest registered over the consolidated entity's Queensland coal tenements.

Subsequent to 30 June 2014, the Company had entered into various agreements with Jungle Creek Gold Mines Pty Ltd, to which Jungle Creek loaned a total of \$530,000. The terms of the loans are that interest is accrued at a rate of 8% per annum with the loan (including accrued interest) repayable within one year. Under the terms of the agreement, Jungle Creek Gold Mines Pty Ltd may elect for the loan (including accrued interest) to be repaid, subject to shareholder approval, by the issue of shares. Further to this, Jungle Creek Gold Mines Pty Ltd agreed to extend the loans outstanding at year-end (\$4,586,130) and to continue to financially support the company until the earlier of the sale of the Queensland Coal tenements or 30 September 2015.

The company has entered into an agreement with Zashvin Pty Ltd in March 2013 to which Zashvin made advances totalling \$360,000 of which \$140,000 was repaid. The terms of the loans are that interest is accrued at a rate of 8% per annum with the loan (including any accrued interest) repayable within one month. The loans remain unpaid at the date of this report. Zashvin Pty Ltd is a major shareholder of Fox Resources Limited. The total balance at 30 June 2014 including interest is \$244,864.

The company entered into an agreement with R & D White & Associates Pty Ltd in July 2012 to which R & D White loaned a total of \$25,000. The term of the loan is that interest is accrued at a rate of 8% per annum with the loan (including any accrued interest) repayable within one month. The loans remain unpaid at the date of this report, with the total balance at 30 June 2014 including interest being \$28,830.

Key Management Personnel's Remuneration

Please refer to disclosures contained in the Remuneration Report section of the Directors' Report.

The totals of remuneration paid to key management personnel of the Group during the year are as follows:

	2014	2013
	\$	\$
Short-term Benefits	700,076	1,271,143
Post-employment Benefits	75,131	122,819
Share-based payments	11,176	-
Total remuneration	786,383	1,393,962

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

At 30 June 2014, the following amounts were payable to directors for directors' fees:

- TEJ Streeter: \$450,000 of which \$412,500 relates to director fees and \$37,500 relates to superannuation contributions
- Garry East: \$110,812 of which \$101,662 relates to director fees, \$9,150 relates to superannuation contribution.

At 30 June 2014, the following amounts were payable to former directors for directors' fees:

- Rod White: \$136,297 of which \$125,000 relates to director fees and \$11,297 relates to superannuation contributions
- Jim Cooper: \$77,582 of which \$71,042 relates to director fees, \$6,540 relates to superannuation contribution.

There were no other related party transactions during the year.

24 CASH FLOW INFORMATION

(a) Reconciliation of net loss after tax to net cash flows from operations

	Consolidated	
	2014 \$	2013 \$
Net loss	(4,299,246)	(18,728,545)
Non-Cash and investment Items		
Depreciation	386,764	477,835
Finance Costs	668,505	564,384
(Gain)/Loss on sale of assets	-	122,532
Exploration expenditure written off	247,332	178,964
Impairment of property, plant and equipment	463,774	-
Interest from deposits and bonds	(24,249)	(86,455)
Impairment of exploration and evaluation assets	1,150,211	12,588,405
Impairment of capital work in progress	-	2,404,595
Share based payments expense	114,166	-
Changes in Assets and Liabilities		
(Increase)/ Decrease in accounts receivable	432,754	(411,679)
(Increase)/Decrease in inventories	8,844	9,004
(Increase)/Decrease in prepayments	(12,041)	(17,253)
(Increase)/Decrease in Other financial assets	22,584	80,089
Increase/(Decrease) in accounts payable	38,753	419,317
Increase/(Decrease) in provisions	(140,656)	(204,835)
Net cash flows used in operating activities	(942,505)	(2,603,642)

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

b) Non Cash Financing and Investing Activities

During the year, the Group acquired plant and equipment to the value of \$129,876 (2013: nil) by means of hire purchase finance. The Group also settled and extended debt through the issue of shares worth \$5,085.

25 FINANCIAL INSTRUMENTS

(a) Financial risk management policies and objectives

The Group's principal financial instruments comprise of hire purchase contracts, related party loans and cash and short-term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations. It is and has been throughout the period under review, the Group's policy that no trading in derivatives shall be undertaken. The main risks arising from the Group's financial instruments are cash flow, interest rate risk and liquidity risk. The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate and foreign exchange risk and assessment of market forecasts for interest rate and foreign exchange. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. Details of the significant accounting policies and methods adopted, including criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 of the financial statements.

(b) Interest rate risk exposure

The consolidated entity's exposure to Interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates on classes of financial assets and financial liabilities is constantly analysed. Within this analysis consideration is given to potential renewals of existing positions and alternative financing. Financial assets and liabilities which are non-interest bearing have not been included in the analysis below. A sensitivity analysis table in relation to interest rate risk has been included at (f).

(c) Liquidity Risk

The responsibility of liquidity risk management rests with the Board of Directors. The Board manages liquidity risk by maintaining sufficient cash or credit facilities to meet the operating requirements of the business and investing excess funds in highly liquid short term investments. The Group's liquidity needs can be met through a variety of sources including: cash generated from operations, short and long term borrowings and issue of equity instruments. The Group's committed standby facilities contain no financial undertakings relating to interest cover and are not affected by a reduction in the Group's credit rating. Details of the Group and Company's non-derivative financial instruments according to their contractual maturities are in the table below. The amounts below included the principal and interest components of the interest bearing liabilities which were determined based on the existing conditions at year end.

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

30 June 14 CONSOLIDATED	Maturing < 1 year	Total >1 to <2 Years	>2 to <3 Years	>3 to <4 Years	>4 to <5 Years	>5 Years	
	\$	\$	\$	\$	\$	\$	\$
Financial Assets							
Cash and cash Equivalents	138,494	-	-	-	-	-	139,494
Trade and other receivables	215,174	-	-	-	-	-	215,174
Other Financial Assets	51,808	-	-	-	-	78,481	130,289
Total Financial Assets	405,476	-	-	-	-	78,481	483,957

Financial Liabilities at amortised cost

Fixed Rate

Hire purchase liabilities	10,822	-	-	-	-	-	10,822
Trade and other payables	2,869,873	-	-	-	-	-	2,869,873
Insurance Premium Funding	28,130	-	-	-	-	-	28,130
Related party loan	4,990,002	-	-	-	-	-	4,990,002
Total Financial Liabilities	7,898,827	-	-	-	-	-	7,898,827

30 June 13 CONSOLIDATED	Maturing < 1 year	Total >1 to <2 Years	>2 to <3 Years	>3 to <4 Years	>4 to <5 Years	>5 Years	
	\$	\$	\$	\$	\$	\$	\$
Financial Assets							
Cash and cash Equivalents	129,842	-	-	-	-	-	129,842
Trade and other receivables	635,887	-	-	-	-	-	635,887
Other Financial Assets	74,392	-	-	-	-	1,233,527	1,307,919
Total Financial Assets	840,123	-	-	-	-	1,233,527	2,073,650

Financial Liabilities at amortised cost

Fixed Rate

Hire purchase liabilities	752,969	-	-	-	-	-	752,969
Trade and other payables	2,831,117	-	-	-	-	-	2,831,117
Related party loan	6,503,130	-	-	-	-	-	6,503,130
Insurance Premium Funding	80,680	-	-	-	-	-	80,680
Total Financial Liabilities	10,167,896	-	-	-	-	-	10,167,896

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

(d) Net Fair Values

The fair value of all the Group's financial instruments recognised in the financial statements approximates or equals their carrying amounts.

The net fair values of other loans and amounts due are determined by discounting the cash flows, at market interest rates of similar borrowings, to their present value.

For other assets and other liabilities the net fair value approximates their carrying value except for investments in controlled entities held at cost.

No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments.

The business purpose of the financial assets is to provide working capital. The business purpose of the financial liabilities is to provide operational finance.

(e) Credit Risk

The consolidated entity's maximum exposure to credit risk at balance date is the carrying amount of the recognised financial assets net of any provision for doubtful debts.

Credit risk arises from potential failure of counterparties to meet their obligations under the respective contracts at maturity. The Group is exposed to credit risk from its operating activities, financing activities including deposits with banks and foreign exchange transactions.

At balance sheet date the consolidated entity has an exposure to loss in the event counterparties fail to settle on contracts which are favourable to the consolidated entity. This exposure to loss is minimised as counterparties are recognised financial intermediaries with acceptable credit ratings determined by a recognised rating agency.

Trade receivables are non-interest bearing and are settled within 14 - 30 days. A provision for impairment loss is recognised when there is objective evidence that an individual trade receivable is impaired. There are no receivables that are considered impaired and therefore no impairment loss has been recognised by the Group in the current year (2013: nil).

(f) Sensitivity Analysis

The following tables summarise the sensitivity of the Group's financial assets and liabilities to interest rate risk. Had the relevant variables, as illustrated in the tables, moved, with all other variables held constant, post-tax profit and equity including retained earnings would have been affected as shown. The analysis has been performed on the same basis for 2014 and 2013. The following assumptions in relation to market movements have been made in the sensitivity analysis.

Interest rate risk: +1% and -1%. Based on historical rates for the past 5 years, management considers that 100 basis points is a "reasonably possible" estimate for movements in interest rates for the next 12 months.

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

Consolidated	Carrying Amount	Interest Rate Risk		Interest Rate Risk	
30-Jun-14		-1%		1%	
Financial Assets		Profit \$	Equity \$	Profit \$	Equity \$
Cash & cash equivalents	138,494	(1,385)	(1,385)	1,385	1,385
Trade & other receivables	215,174	-	-	-	-
Other Financial assets	130,289	-	-	-	-
Financial Liabilities					
Trade and other payables	2,869,873	-	-	-	-
Total increase/(decrease)		(1,385)	(1,385)	1,385	1,385

Consolidated	Carrying Amount	Interest Rate Risk		Interest Rate Risk	
30-Jun-13		-1%		1%	
Financial Assets		Profit \$	Equity \$	Profit \$	Equity \$
Cash & cash equivalents	129,841	(1,298)	(1,298)	1,298	1,298
Loans and receivables	635,889	-	-	-	-
Other financial assets	1,307,919	-	-	-	-
Financial Liabilities					
Trade and other payables	2,831,117	-	-	-	-
Total increase/(decrease)		(1,298)	(1,298)	1,298	1,298

Foreign exchange risk is not applicable to the Group as all financial assets and liabilities are held in AUD.

(i) Capital Risk Management

The Group's total capital is defined as equity attributable to equity holders of the parent (\$11,147,564), cash and cash equivalents (\$138,494) and borrowings (\$5,028,954).

The Group's capital management objectives are:

- To safeguard the business as a going concern; and
- To maximise returns to shareholders.

The Group may issue new shares or sell assets to reduce debts in order to maintain the optimal capital structure.

The Group also monitors balance sheet strength and flexibility using cash flow forecast analysis and detailed budgeting processes.

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

26 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Where there is a change in an accounting estimate, the change shall be recognised prospectively by including it in profit or loss in the period of the change and in future periods, if the change affects both.

The estimates, assumptions and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Determination of mineral resources and ore reserves

Fox Resource Limited estimates its mineral resources and ore reserves in accordance with the Fox Resources Limited Policy for the Reporting of Mineral Resources and Ore Reserves. This policy requires that the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2004 (the 'JORC code') be used as a minimum standard. The information on mineral resources and ore reserves were prepared by or under the supervision of Competent Persons as defined in the JORC code. The grades and tonnes reported are based on the mineral resources and ore reserves as defined by the JORC code.

There are numerous uncertainties inherent in estimating mineral resources and ore reserves and assumptions that are valid at the time of estimation may change significantly over time or when new information becomes available.

Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves and may, ultimately, result in the reserves being restated. Such changes in reserves could impact on depreciation and amortisation rates, asset carrying values, deferred stripping costs and provisions for decommissioning and restoration.

Impairment of capitalised exploration and evaluation expenditure and related project costs

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors which could impact the future recoverability include the future technological changes which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, this will reduce profits and net assets in the period in which this determination is made.

In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent that it is determined in the future that this capitalised expenditure should be written off, this will reduce profits and net assets in the period in which this determination is made.

For the period ended 30 June 2014, exploration and evaluation expenditure have been impaired by \$1,150,211. The basis of the impairment was a value in use calculation based on current market data and costs of the tenements either surrendered during the year or approved and surrendered post the end of the financial year.

The post-impairment carrying value of capitalised exploration and evaluation expenditure is \$17,636,662.

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

Impairment of property, plant and equipment

Property, plant and equipment are reviewed for impairment if there is any indication that the carrying amount may not be recoverable. Where a review for impairment is conducted, the recoverable amount is assessed by reference to the higher of 'value in use' (being the net present value of expected future cash flows of the relevant cash generating unit) and 'fair value less costs to sell'.

In determining value in use, future cash flows are based on:

- Estimates of the quantities of ore reserves and mineral resources for which there is a high degree of confidence of economic extraction;
- Future production levels;
- Future commodity prices; and
- Future cash costs of production and capital expenditure.

Variations to the expected future cash flows, and the timing thereof, could result in significant changes to any impairment losses recognised, if any, which could in turn impact future financial results. The carrying value of the Radio Hill Accommodation camp was impaired by \$463,774 and is based on fair value basis. The value used was based the advertised current sales prices of similar buildings and camps.

As at 30 June 2014, the carrying value of property, plant and equipment is \$1,227,676 (2013: \$1,948,338).

Provisions for decommissioning and restoration costs

Decommissioning and restoration costs are a normal consequence of mining, and the majority of this expenditure is incurred at the end of a mine's life. In determining an appropriate level of provision consideration is given to the expected future costs to be incurred, the timing of these expected future costs (largely dependent on the life of the mine), and the estimated future level of inflation.

The ultimate cost of decommissioning and restoration is uncertain and costs can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other mine sites. The expected timing of expenditure can also change, for example in response to changes in reserves or to production rates. Changes to any of the estimates could result in significant changes to the level of provisioning required, which would in turn impact future financial results.

As at 30 June 2014, the carrying value of rehabilitation provision is \$3,783,506 (2013: \$3,783,506).

Share-based payment transactions

The Group measures the cost of equity-settled transactions with management and other parties by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by the Board of Directors using the Black & Scholes valuation method, taking into account the terms and conditions upon which the equity instruments were granted. The assumptions in relation to the valuation of the equity instruments are detailed in Note 28: Share Based Payments. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

Loans receivable from controlled entities

The carrying value of loans receivable from controlled entities is assessed on an annual basis. In the event that the carrying amount of loans exceeds the net assets of the controlled entities an impairment loss is to write down the carrying amount to equal the net assets of the controlled entities.

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

27 ASSETS CLASSIFIED AS HELD FOR SALE

As at 30 June 2014 the group had determined that its Bundaberg Coking Coal Project assets, at a carrying value of \$3,511,101 were expected to be recovered principally through a sales transaction rather than continuing use. As such they have been reclassified to current and classified as an asset held for sale.

28 SHARE-BASED PAYMENT TRANSACTIONS

Options

An employee share option plan has been established where the Company may grant options over ordinary shares of the Company to staff. The options are issued for nil consideration and are granted at the discretion of the Directors. The options cannot be transferred, are not quoted on the ASX and carry no dividend and voting rights. During the year there were 2,000,000 options issued under the plan.

The fair value of all options issued has been determined using a Black & Scholes option pricing model that takes into account the exercise price, the term of the options, the impact of dilution, the non-tradeable nature of the options, the share price at grant date and expected price volatility of the underlying shares, the expected dividend yield and the risk-free interest rate for the term of the options.

The company also issued options as part of a share purchase and convertible securities agreement 11,935,897 options and 2,000,000 options to consultants.

The tables below summarises the average model inputs for options granted during the period:

Model Inputs

Weighted average exercise price	\$0.027
Weighted average life of option	2.4 years
Average underlying security spot price at grant date	\$0.014
Average expected price volatility of the Company's shares	106%
Average risk-free Interest Rate	2.8%

As at the end of the year the company had 15,935,897 unlisted options on issue with a weighted average remaining life of 1.87 years and a weighted average exercise price of \$0.027.

Ordinary shares

The following share-based payments of ordinary shares took place during the year. For all of these transactions the shares were valued based on the market value of the shares on the date of issue:

- 16,628,440 shares were issued at \$0.044 each for the acquisition of exploration permits
- 6,000,000 shares were issued at \$0.022 as payment for consulting services
- 4,000,000 shares were issued at a total value of \$71,000 for the extension of a loan – refer to Note 13(c).

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2014

29 PARENT ENTITY INFORMATION

Information relating to Fox Resources Ltd ('the parent entity')

	2014 \$	2013 \$
Statement of Financial Position		
Current Assets	193,999	111,324
Total Assets	17,415,104	17,228,550
Current Liabilities	1,681,224	7,822,133
Total Liabilities	6,267,540	7,822,133
Net Assets	11,147,564	9,406,417
Issued Capital	125,892,624	119,966,397
Other Reserves	150,346	36,180
Accumulated losses	(114,895,406)	(110,596,160)
Total Equity	11,147,564	9,406,417
Statement of profit or loss and other comprehensive income		
(Loss) for the year	(4,299,246)	(18,728,545)
Total comprehensive (loss)	(4,299,246)	(18,728,545)

30 EVENTS OCCURRING AFTER BALANCE SHEET DATE

On 4 July 2014, as part of Mr Garry East's underwriting agreement for the non-renounceable entitlement issue made in June 2014, a shortfall balance of 5,123,766 shares and 5,123,766 listed options were issued. The options are exercisable at \$0.04 with an expiry date of 30 June 2016.

Subsequent to 30 June 2014, the Company has entered into various agreements with an entity associated with Mr Terry Streeter, Jungle Creek Gold Mines Pty Ltd, under which Jungle Creek made advances totalling \$530,000. The Company also entered into an agreement with Mr Garry East, under which Mr East advanced \$150,000 by way of a loan to the company. The terms of the loan agreements are that interest is accrued at a rate of 8% per annum with the loan (including accrued interest) repayable within twelve months. Under the terms of the agreements, Jungle Creek Gold Mines Pty Ltd or Mr East may elect for the loan (including accrued interest) to be repaid, subject to shareholder approval, by the issue of shares. Further to this, Jungle Creek Gold Mines Pty Ltd agreed to extend the loans outstanding at year-end (\$4,586,130) and to continue to financially support the company until the earlier of the sale of the Queensland Coal tenements or 30 September 2015.

The Company received a writ of summons on 17 September 2014 from a former supplier with regards unpaid invoices amounting to \$209,158 (including GST) plus interest and legal costs. The Board has considered the summons and intends to defend the claim.

The Company received a writ of summons on 18 September 2014 from a former Non-executive Director with regards unpaid fees amounting to \$77,641 (including Superannuation) plus interest and legal costs. The Board has considered the summons and intends to defend the claim.

Mr Dunbar resigned from the Board on 29 September 2014 and gave notice of termination of his employment agreement. He will continue for the remainder of 2014 as the Chief Executive Officer of the Company. Mr David Peterson resigned as Company Secretary on 30 September 2014. Mr Bruce Garlick was appointed as an Executive Director, CFO and Company Secretary of the company on 30 September 2014.

DIRECTOR'S DECLARATION

In the Directors' opinion:

1. The financial statements, comprising the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity, accompanying notes, are in accordance with the Corporations Act 2001, and:
 - (a) Comply with Accounting Standards and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (b) Give a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the year ended on that date.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
3. The directors have been given the declarations required by section 295A of the Corporations Act 2001.
4. The consolidated entity has included in the notes a statement of compliance with International Financial Reporting Standards.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



TERRY STREETER
NON EXECUTIVE CHAIRMAN

Dated the 30th day of September 2014 at Perth, Western Australia.

AUDITOR'S DECLARATION OF INDEPENDENCE



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Auditor's Independence Declaration To the Directors of Fox Resources Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Fox Resources Limited for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.

A stylized, handwritten signature in black ink that reads "Grant Thornton".

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

A handwritten signature in black ink, appearing to read "C A Becker".

C A Becker
Partner - Audit & Assurance

Perth, 30 September 2014

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Independent Auditor's Report To the Members of Fox Resources Limited

Report on the financial report

We have audited the accompanying financial report of Fox Resources Limited (the "Company"), which comprises the consolidated statement of financial position as at 30 June 2014, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, the financial statements comply with International Financial Reporting Standards.

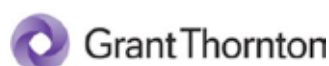
Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion:

- a the financial report of Fox Resources Limited is in accordance with the Corporations Act 2001, including:
 - i giving a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
 - ii complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Material uncertainty regarding continuation as a going concern

Without qualifying our opinion, we draw attention to Note 2(b) in the financial report which indicates that the consolidated entity incurred a net loss of \$4,299,246 during the year ended 30 June 2014 and, as of that date, the consolidated entity's current liabilities exceeded its current assets by \$4,010,911. These conditions, along with other matters as set forth in Note 2(b), indicate the existence of a material uncertainty which may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report.

AUDIT REPORT



Report on the remuneration report

We have audited the remuneration report included in pages 7 to 13 of the directors' report for the year ended 30 June 2014. The Directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion on the remuneration report

In our opinion, the remuneration report of Fox Resources Limited for the year ended 30 June 2014, complies with section 300A of the Corporations Act 2001.

A handwritten signature in black ink that reads "Grant Thornton".

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

A handwritten signature in black ink, appearing to read "C A Becker".

C A Becker
Partner - Audit & Assurance

Perth, 30 September 2014

ADDITIONAL INFORMATION

The following additional information not shown elsewhere in this report is required by the Australian Securities Exchange in respect of listed public companies only. This information is current as at 9 October 2014.

Securities

Quotation has been granted for 847,804,892 ordinary shares of the Company and 282,351,521 listed Options on the Australian Stock Exchange.

There are no restricted securities and no securities subject to voluntary escrow.

Quoted Securities

ASX Code	Number of Holders	Security Description	Total Securities
FXR	3,216	Ordinary Fully Paid	847,804,892
FXRO	225	Listed Options	282,351,521

Unquoted Securities

ASX Code	Number of Holders	Security Description	Total Securities
FXRAI	1	expiring 02/10/15 exercisable at \$0.0261	4,000,000
FXRAM	1	expiring 01/11/2015 exercisable at \$0.0156	769,231
FXRAS	1	expiring 02/12/2015 exercisable at \$0.0144	833,333
FXRAQ	1	expiring 27/12/2015 exercisable at \$0.0144	833,333
FXRAU	2	expiring 30/06/2017 exercisable at \$0.06	4,000,000
FXRAW	1	expiring 31/01/2016 exercisable at \$0.0144	833,333
FXRAY	1	expiring 27/02/2016 exercisable at \$0.0072	1,666,667
FXRAA	1	expiring 31/03/2016 exercisable at \$0.0072	3,000,000

The voting rights attached to each class of security are as follows:

Ordinary Fully Paid shares – one vote per share held.

Options – no voting rights are attached to unexercised options.

Distribution schedule

Spread of Holdings - Ordinary Shares (ASX Code: FXR)

			Holders	Units	Percentage
1	-	1,000	314	184,277	0.02
1,001	-	5,000	804	2,379,005	0.28
5,001	-	10,000	561	4,593,432	0.54
10,001	-	100,000	1,102	42,360,231	5.00
100,001	-	999,999,999	435	798,287,947	94.16
TOTAL			3,216	847,804,892	100%

ADDITIONAL INFORMATION

Spread of Holdings - Listed Options (ASX Code: FXRO)

			Holders	Units	Percentage
1	-	1,000	37	16,795	0.01
1,001	-	5,000	63	174,974	0.06
5,001	-	10,000	19	146,729	0.05
10,001	-	100,000	70	2,568,539	0.91
100,001	-	999,999,999	36	279,444,484	98.97
TOTAL			225	282,351,521	100%

Unmarketable Parcel

The number of Shareholders holding less than a marketable parcel of fully paid ordinary shares are 2,513.

Substantial Shareholding

The Company received the following notices of substantial holding during and since the financial year:

Jungle Creek Gold Mines Pty Ltd in relation to 315,903,225 ordinary shares

GTE Superannuation in relation to 47,542,266 ordinary shares

Register of Securities

The Register of securities is held at Advanced Share Registry Ltd 110 Stirling Highway, Nedlands, Western Australia, 6009. Telephone: 61 8 9389 8033.

Buyback

No on-market share buy-back is current.

Top 20 Shareholders

The names of the twenty largest shareholders (ASX Code: FXR) are listed below:

	Name	Units	% units
1	Jungle Creek Gold Mines Pty Ltd	314,703,225	37.12
2	Breeton Pty Ltd	47,782,762	5.64
3	Zashvin Pty Ltd	44,803,000	5.29
4	GTE Superannuation Pty Ltd	40,403,424	4.77
5	Jinchuan Group Ltd	32,900,000	3.88
6	BBY Nominees Ltd	20,242,693	2.39
7	Northmead Holdings Pty Ltd	17,915,534	2.11
8	Newexco Services Pty Ltd	16,666,667	1.97
9	XLX Exploration Pty Ltd	16,628,440	1.96
10	Mr Joseph Miro Vucetic & Mrs Clara Gala	10,500,000	1.24
11	GPV Investments Pty Ltd	9,562,209	1.13
12	Garry East	7,138,842	0.84
13	HSBC Custody Nominees (Aust) Ltd	6,751,258	0.80
14	Citicorp Nominees Pty Ltd	5,179,652	0.61
15	Mr Peter Verhoeven	5,038,575	0.60
16	Mrs Lone Chorley	4,603,813	0.54
17	Mr Larry Cusack	4,500,000	0.53
18	Mr Wayne & Mrs Tracey Gilbertson	4,000,000	0.47
19	Miss Xiang Ding	3,807,742	0.45
20	Mr Nicolas Charles George Streeter	3,700,000	0.44

ADDITIONAL INFORMATION

Top 20 Listed Option holders

The names of the twenty largest Listed Option holders (ASX Code: FXRO) are listed below:

Name	Units	% units
1 Jungle Creek Gold Mines Pty Ltd	222,619,638	78.85
2 Newexco Services Pty Ltd	16,666,667	5.90
3 Northmead Holdings Pty Ltd	7,415,534	2.63
4 Garry East	7,138,842	2.53
5 Goffacan Pty Ltd	4,000,000	1.417
6 Mr Joseph Miro Vucetic & Mrs Clara Gala	3,500,000	1.24
7 Melwell Pty Ltd	2,383,333	0.84
8 GTE Superannuation Pty Ltd	2,303,424	0.82
9 Mr Peter Verhoeven	2,038,575	0.72
10 Mr Amit Trehan	2,000,000	0.71
11 Mrs Lone Chorley	1,698,813	0.60
12 Miss Lauren East	1,019,507	0.36
13 Mr Andrew Moon	678,841	0.24
14 Success Investments Pty Ltd	502,500	0.18
15 Mr Paul Dunbar	500,000	0.18
16 Whyjay Super Pty Ltd	500,000	0.18
17 Success Investments Pty Ltd	497,500	0.18
18 Mr Peter Burnitt	440,000	0.16
19 Firkin & Walsh Pty Ltd	351,076	0.12
20 Custodial Services Ltd	298,425	0.11

ADDITIONAL INFORMATION

Fox Resources Ltd

E47/1202

E47/2328

Gascoyne Mines Pty Ltd

E09/1081

P09/452

E09/1813-

Fox Radio Hill Pty Ltd

(FXR 69.85%, Artemis Resources Ltd 30.15%)

E47/1806

E47/1807

Fox Radio Hill Pty Ltd

(FXR 100%, Magnetic South Pty Ltd earning 60%)

E47/1217

Abbreviations

E = Exploration Licence

ELA = Exploration Licence Application

P = Prospecting Licence

L = Miscellaneous Licence

M = Mining Lease

R = Rention Licence

EPC = Exploration Permit Coal

Fox Radio Hill Pty Ltd

M47/7

M47/9

M47/161

M47/207

M47/252

M47/253

M47/254

M47/275

M47/337

M47/344

M47/345

M47/346

M47/347

M47/348

M47/349

M47/350

L47/93

L47/163

E47/1216

E47/1223

R47/5

Fox Resources Limited

(Pilbara Minerals JV,

FXR 40%, earning up to 80%)

E47/1093

E47/1094

E47/1813

E47/1814

E47/1815

E47/2261

Fox Resources Limited 100%

(Queensland Coal Tenements)

EPC 1303

EPC 1304

EPC 1305

EPC 1306

EPC 1307

EPC 1308

EPC 1309

EPC 1310

EPC 1311

EPC 1312

EPC 1469

EPC 1476

EPC 1519

EPC 1520

EPC 1523

EPC 1554

All of the above tenements are situated in Western Australia (unless otherwise stated) and are beneficially owned by Fox Resources Limited.

Percentage interest is 100% unless otherwise stated.



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