

9 June 2014



ABN: 44 079 902 499

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Dear Option holder,

### **NON-RENOUNCEABLE ENTITLEMENT ISSUE**

Fox Resources Limited (ACN 079 902 499) (**Company**) is proposing a non-renounceable pro rata entitlement issue of 1 new share for every 2 existing shares held as at 7:00pm (AEDT) on 16 June 2014 (**Record Date**), at an issue price of \$0.015 per new share with 1 free attaching new option (exercisable at \$0.04 on or before 30 June 2016) for every new share issued (**Entitlement Issue**).

Offers under the Entitlement Issue have been made under a prospectus lodged with ASIC which is available on ASX's and the Company's websites. Further information on the Entitlement Issue is set out in the prospectus which will be dispatched to eligible shareholders soon after the Record Date.

Under the ASX Listing Rules and terms of the options you hold, the Company must give you notice prior to the record date.

The purpose of this letter is to give you notice that if you wish to participate in the Entitlement Issue with respect to your options, you must exercise your options before the Record Date by delivering an option exercise notice together with the correct monies to the Company's share registry, Advance Share Registry Pty Ltd. Before applying for new shares with attaching new options, you need to read the prospectus carefully and will need to complete the personalised entitlement and acceptance form that will accompany the prospectus to acquire new securities under the Entitlement Issue.

If you do not wish to participate in the Entitlement Issue (in respect of your options) you do not need to take any action. The exercise price of your options will be reduced in accordance with Listing Rule 6.22.2. The Company will announce the reduced exercise price following the Offer.

Before deciding whether to exercise all or any of your options, you should consult with your professional advisor.

Yours sincerely

A handwritten signature in dark ink, appearing to read "David Peterson".

David Peterson

Company Secretary