

## **AYSHIA HERALDS NEW SHALLOW ZINC DISCOVERY FOR FOX**

### **HIGHLIGHTS**

- **Ayshia located 1.6km north east of West Whundo returned an outstanding zinc drill intercept AYRC006 of 14m @ 10.4% zinc and 32.3 g/t silver 30m below surface, including 2m @ 26.3% zinc and 72.5 g/t silver from 37m below surface**
- **Further assays from Phase 1 drill program should be received next week**
- **Reverse circulation (RC) drill rig capable of drilling to a maximum depth of 350m to begin targeting Ayshia next week**
- **RC drill rig to begin Phase 2 drill program after further drill testing of Ayshia**
- **Zinc prices continue to soar as London Metal Exchange stockpiles decline further**

Fox Resources Limited ("Fox") (ASX code FXR) is pleased to announce success at the company's Whundo Copper-Zinc Project where drill hole **AYRC006 1.6 km north east of West Whundo has intersected 14m @ 10.4% zinc 30m below surface including 2m @ 26.3% zinc from 37m below surface above the Ayshia Anomaly (Figure 1)**. Assays (Table 1) have been returned for drill holes AYRC001 to AYRC008 above the Ayshia Anomaly as part of the Phase 1 drill program at Whundo as announced on the 10 January 2006. Significant drill intercepts (Table 1) include:

- **14m @ 10.4% zinc; AYRC006 ... from 30m below surface including 2m @ 26.3% zinc**
- **4m @ 5.2% zinc; AYRC008 ... from 33m below surface including 1m @ 8.5% zinc**
- **2m @ 5.0% zinc; AYRC007 ... from 29m below surface**

Further assays are expected to be received from the Phase 1 drill program next week. As announced on 9 February, Fox has decided to replace the proposed diamond drill rig with a larger RC rig which is immediately available. The RC drill rig will begin drilling next week initially testing above and through the shallow Ayshia Anomaly and then moving to drill the deeper Whundo and Shelby anomalies (Figure 1).

Zinc prices are forecast to increase due to declining supplies of zinc concentrate. Fox is well positioned to capitalise on any zinc discovery by leveraging off its existing infrastructure and processing plant located only 12km away at Radio Hill.

*"This is a very exciting time for Fox as the company unlocks value at Whundo. We believe we have something special here and the exploration team should be congratulated for their outstanding success to date. We look forward to the upcoming Phase 2 drill program." Don Harper, Managing Director said.*

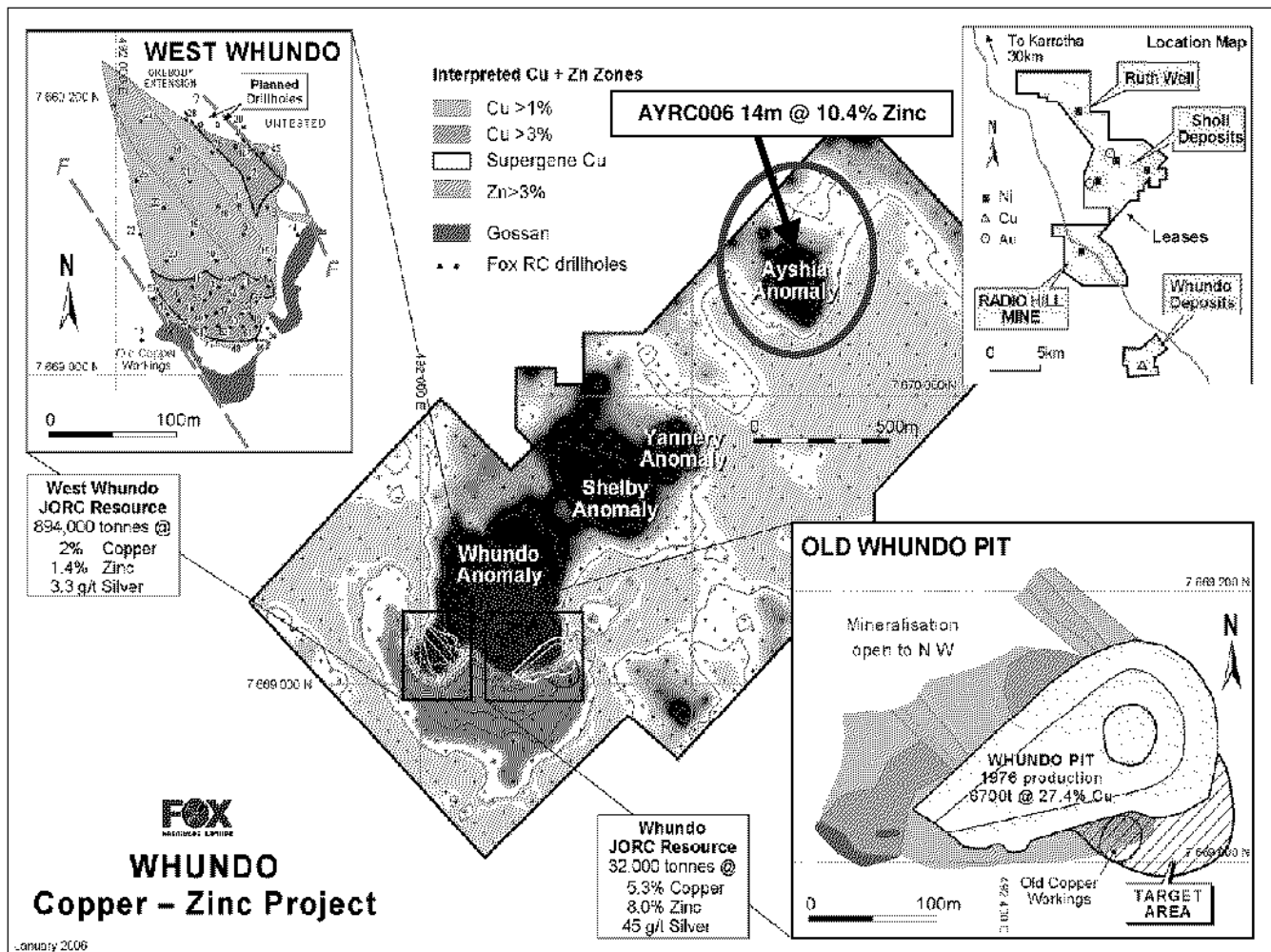


Figure 1

## ABOUT FOX RESOURCES LTD

### NICKEL, COPPER & ZINC – Radio Hill, Sholl & Ruth Well

Fox is a Top Ten Australian nickel sulphide producer which operates the Radio Hill Nickel Sulphide Mine, located near Karratha in W.A. Fox's nickel and copper concentrate production is shipped monthly to China's largest nickel producer, Jinchuan Limited. A feasibility study has commenced into mining and heap leaching of the disseminated nickel resources at Radio Hill and the surrounding Sholl deposits. These deposits contain 40,000 tonnes of nickel and 50,000 tonnes of copper and on successful completion of the study, Fox aims to commence production in 2007.

### GOLD – Star of Mangaroon, Four Ounce Show, and Radleys gold deposits

The Star of Mangaroon Gold Mine is located 170 km north of Gascoyne Junction and 250 km northeast of Carnarvon, in the Gascoyne Mineral Field. The deposit was discovered in 1956 with underground production between 1960 and 1983 of 7,464 ounces of gold from 5,357 tonnes of treated ore (average grade of 34.8g/t gold). Fox holds the lease on which the deposit is located, as well as a surrounding lease application giving Fox a tenement holding of 65km<sup>2</sup>. Fox is currently assessing joint venture opportunities.

The Four Ounce Show and Radleys gold deposits are situated on a mining lease approximately 12km from the Radio Hill Mine in the Pilbara. This tenement hosts a number of gold-bearing systems where previous exploration outlined a preliminary resource in excess of 36,000 ounces to a depth of 50m. The mineralisation is mainly open in all directions. An additional promising gold prospect is East Well where previous drilling intercepted 2 m at 5.5 g/t gold. Assays of up to 50 g/t gold were obtained from rock chip sampling over a strike length of 800 m.

**Karratha**

For further details, please contact:

Don Harper – Managing Director

+61 8 9318 5600

Kevin Kartun, RADAR Investor Relations

+61 2 8256 3310

*The information in this report that relates to exploration results, mineral resources or ore resources is based on information compiled by Mr Ed Mead who is a full-time employee of the company and is a member of the Australasian Institute of Mining and Metallurgy. Mr Mead 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Mead consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

**Table 1: Ayshia RC Drilling , Significant Assay Results**

hole_id	Metres	Zn %	Ag g/t	Cu %	Au g/t	Pb %	From	To
AYRC001	No Significant Assays							
AYRC002	No Significant Assays							
AYRC003	3	0.3	29	0.4	1.0	0.3	10	13
AYRC004	No Significant Assays							
AYRC005	No Significant Assays							
AYRC006	<b>14</b>	<b>10.4</b>	<b>32</b>	0.6	0.3	0.3	30	44
including	<b>2</b>	<b>26.3</b>	<b>73</b>	1.1	0.4	0.5	37	39
AYRC007	4	3.2	35	0.5	0.4	0.1	28	32
including	<b>2</b>	<b>5.0</b>	<b>51</b>	0.8	0.7	0.2	29	31
AYRC008	4	5.2	43	0.3	0.2	0.2	33	37
including	1	8.5	101	0.7	0.3	0.3	34	35

**Table 2: Ayshia RC Drilling , Collars**

HOLE ID	MGA94_N	MGA94_E	MGA94_RL	Depth (m)	Dip	Azimuth
AYRC001	7670224	493456	1103	30	-60	180
AYRC002	7670228	493479	1103	30	-60	180
AYRC003	7670222	493510	1103	30	-60	180
AYRC004	7670224	493529	1103	30	-60	180
AYRC005	7670230	493464	1103	60	-90	0
AYRC006	7670251	493486	1103	60	-60	180
AYRC007	7670261	493515	1103	36	-60	180
AYRC008	7670268	493516	1103	60	-90	0