

EXCELLENT SHALLOW HIGH GRADE ZINC DRILL RESULTS CONTINUE AT AYSHIA

HIGHLIGHTS

- **Ayshia near West Whundo continues to deliver excellent shallow zinc drill intercepts with AYRC011 intersecting 8m @ 12.9% zinc and 33 g/t silver only 25m below surface, including 4m @ 16.8% zinc and 42 g/t silver**
- **AYRC016 also intersected 5m @ 1.2% zinc, 2.6% copper, 100g/t silver and 3.2 g/t gold 48m below surface, which confirms Ayshia as a polymetallic deposit which is typical of Volcanic Massive Sulphide (VMS) systems**
- **Drilling continues at Ayshia to define the strike extent of the newly discovered high grade zinc mineralisation**
- **FLTEM geophysics testing is underway over the unexplored western portion of the Whundo mining lease**

Fox Resources Limited ("Fox") (ASX code FXR) is pleased to announce continuing success at Ayshia which is part of Fox's Whundo VMS Copper-Zinc Project where drill holes have intersected outstanding shallow zinc mineralisation from as little as 25m below the surface. The VMS system at Whundo is showing all the signs of being a package of mineralised zones as is typical for VMS style mineralisation.

Assays (Table 1) have been returned for drill holes AYRC001 to AYRC016 above the Ayshia Anomaly as part of the Phase 1 drill program at Whundo as announced on the 10 January 2006. Assays are also indicating a polymetallic signature with the latest drill hole AYRC016 returning **5m @ 3.2 g/t gold and 100 g/t silver from 48m below surface.**

Significant drill intercepts include:

- **8m @ 12.9% zinc and 33 g/t silver 25m below surface, AYRC011 including 4m @ 16.8% zinc and 42 g/t silver from 26m below surface**
- **7m @ 10.5% zinc and 33 g/t silver 36m below surface, AYRC012 including 2m @ 21.3% zinc and 60 g/t silver from 38m below surface**
- **12m @ 9.4% zinc and 33 g/t silver 34m below surface, AYRC009 including 1m @ 24.2% zinc and 26 g/t silver from 43m below surface**

Previously announced significant drill intercepts (Table 1) include:

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

Drilling is currently outside the geophysical conductor anomaly identified at Ayshia. Drill holes to date have been drilled to the north of a gossan that outcrops at surface. Drill holes will be progressively drilled to the north and towards the centre of the Ayshia anomaly.

Further assays are expected to be received from the continuing Phase 1 drill program soon. As announced on 23 February 2006, Fox decided to replace the proposed diamond drill rig with a larger Reverse Circulation (RC) drill rig. The arrival of the RC drill rig has been delayed due to heavy rains in the Pilbara region of Western Australia but is expected to begin drilling in three weeks time, initially testing above and through the shallow Ayshia Anomaly (Figure 1) and then moving to drill the deeper Whundo and Shelby anomalies.

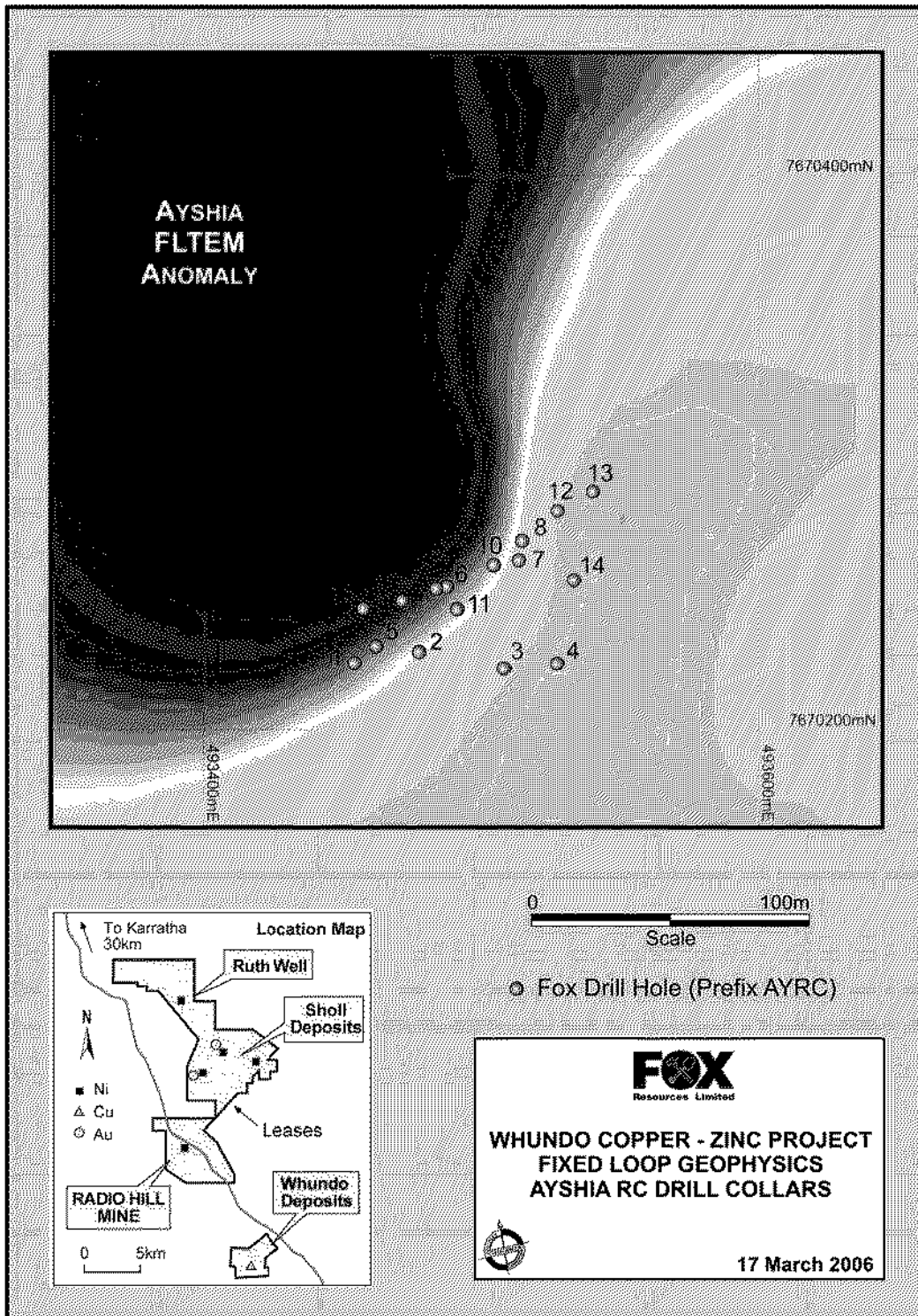


Figure 1 – Drill hole collars at Ayshia

FLTEM Geophysics

To date the use of FLTEM (Fixed Loop Electromagnetics) on the Whundo VMS Copper-Zinc Project has been very successful in locating mineralisation. The technique has revealed anomalies at West Whundo, Whundo, Austin, Shelby, Yannery and Ayshia. Drilling thus far has shown mineralisation at West Whundo, Whundo, Yannery and Ayshia. Drilling in the near future will test the anomalies at Austin and Shelby, currently the two largest anomalies by size.

The impending FLTEM program (Figure 2) will test the unexplored western portion of the Whundo mining lease for geophysical conductors. The low level high resolution aeromagnetics flown in 2004 indicates multiple unexplained magnetic anomalies in this area. West Whundo and Whundo both have strong magnetic anomalies associated with mineralisation, with Austin and Shelby yet to be tested. Yannery and Ayshia have low level magnetic responses which nevertheless are associated with mineralisation. The results of the survey will be reported as soon as they become available.

“With success at Ayshia, Yannery and West Whundo, the greater Whundo area is looking to have all the characteristics of a classic VMS system, where clusters of high grade deposits are usual. It is now evident that geophysics has been a powerful exploration tool contributing greatly to the success enjoyed to date” Don Harper, Managing Director said.

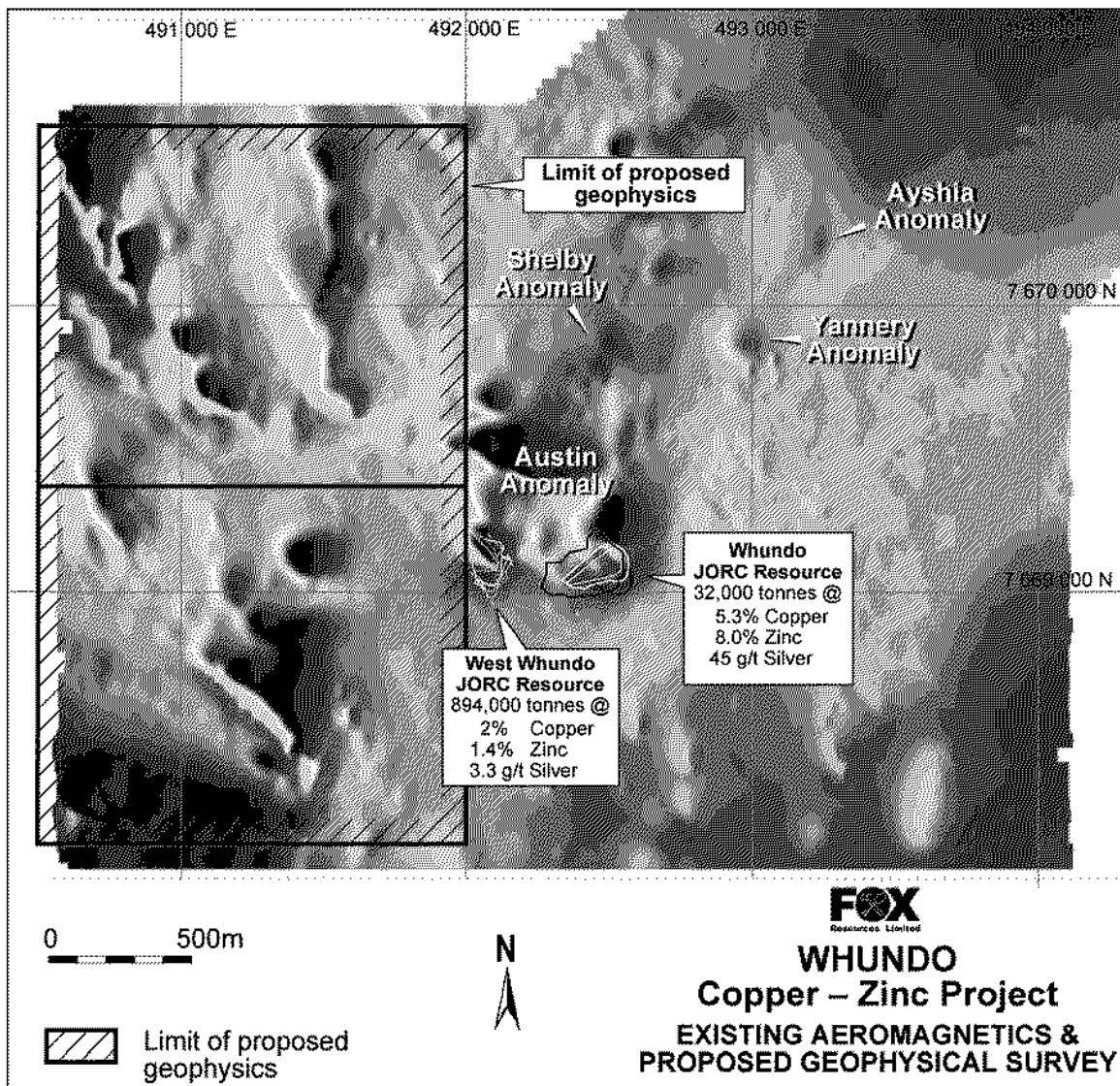


Figure 2 – Proposed FLTEM geophysical program.

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 170km north of Gascoyne Junction and 250km 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 65km². 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 2m 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 800m.

For further details, please contact:

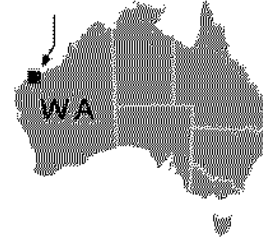
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The information in this report that relates to exploration results, mineral resources or ore resources is based on information compiled by Mr Ed Mead who is a full-time employee of the company and is a member of the Australasian Institute of Mining 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	From	To
AYRC001	No Significant Assays						
AYRC002	No Significant Assays						
AYRC003	3	0.3	29	0.4	1.0	10	13
AYRC004	No Significant Assays						
AYRC005	No Significant Assays						
AYRC006	14	10.4	32	0.6	0.3	30	44
including	2	26.3	73	1.1	0.4	37	39
AYRC007	4	3.2	35	0.5	0.4	28	32
including	2	5.0	51	0.8	0.7	29	31
AYRC008	4	5.2	43	0.3	0.2	33	37
AYRC009	12	9.4	33	0.6	0.5	34	46
including	1	24.2	26	0.2	0.2	43	44
AYRC010	10	2.3	15	0.1	0.3	27	37
including	1	8.78	23	0.1	0.2	35	36
AYRC011	8	12.9	33	0.6	0.7	25	33
including	4	16.8	42	0.7	0.6	26	30
AYRC012	7	10.5	33	0.3	0.4	36	43
including	2	21.3	60	0.4	0.8	38	40
AYRC013	3	3.5	15	0.2	0.2	40	43
AYRC014	2	1.8	4	0.1	0.1	27	29
AYRC015	No Significant Assays						
AYRC016	7	3.2	57	1.5	1.6	42	56
including	4	5.6	21	0.5	0.7	42	46
including	5	1.2	100	2.6	3.2	48	53

Table 2: Ayshia RC Drilling , Collars

HOLE ID	MGA94_N	MGA94_E	MGA94_RL	Depth (m)	Dip	Azimuth
AYRC001	7670224.50	493459.01	1102.98	30	-60	180
AYRC002	7670229.10	493481.15	1102.45	30	-60	180
AYRC003	7670223.35	493512.98	1101.88	30	-60	180
AYRC004	7670225.36	493531.77	1101.93	30	-60	180
AYRC005	7670229.71	493465.68	1102.91	60	-90	0
AYRC006	7670251.14	493487.97	1102.50	60	-60	180
AYRC007	7670262.51	493518.02	1101.06	36	-60	180
AYRC008	7670270.42	493517.98	1101.14	60	-90	0
AYRC009	7670251.48	493488.69	1102.63	54	-90	0
AYRC010	7670259.12	493506.53	1101.29	48	-90	0
AYRC011	7670243.51	493493.58	1102.18	42	-80	110
AYRC012	7670278.65	493529.85	1100.91	51	-90	0
AYRC013	7670285.44	493541.33	1100.72	60	-80	50
AYRC014	7670253.99	493535.19	1101.47	42	-90	0
AYRC015	7670243.79	493459.42	1103.80	60	-90	0
AYRC016	7670246.39	493473.41	1102.94	76	-90	0
AYRC017	7670243.79	493459.42	1103.80	55	-75	0