

## **ROCHE MOBILISES MINING EQUIPMENT TO WEST WHUNDO COPPER-ZINC PROJECT**

### **HIGHLIGHTS**

- **Roche Mining's heavy mobile equipment starts to arrive at West Whundo**
- **Site clearance and pre-strip of mineralised overburden to commence within the next two weeks**
- **Roche scheduled to complete open pit mining of West Whundo within 5 months**
- **Mining contract fully funded by China's largest nickel producer, the Jinchuan Group Ltd**
- **First copper production expected in June 2006**
- **Assays from the VMS Ayshia Zinc deposit expected next week**

Fox Resources Limited ("Fox") (ASX code FXR) is pleased to announce that Roche Mining Pty Ltd ("Roche"), a division of Downer EDI Limited has begun mobilising mining equipment on site at West Whundo. Upgrading of the haul road (Figure 1) between West Whundo and the main Hamersley Iron access road is underway. Site clearance and the pre-strip of an estimated 20m of mineralised material above the high grade shallow supergene copper ore is expected to commence within the next two weeks. Open pit mining is expected to be completed within a five month period, mining an estimated 8,000 tonnes of contained copper metal.

As announced on 29 March 2006 the project is fully funded by the offtake and pre-payment agreement between Fox and China's largest nickel producer, Jinchuan Group Limited ("Jinchuan"). Copper production is expected to commence in June 2006.

### **Roche Mining**

Fox is pleased to have Roche, a reputable and reliable mining contractor, undertaking the open pit mining at the West Whundo Copper-Zinc Project. Roche has extensive expertise and experience in the design and construction of base metals process plants, open pit and underground mining and the provision of maintenance and operating services to the mining industry, and is widely regarded as one of the leaders of outsourced mining services in Australia.

Roche Mining Division has a long and successful history in open pit mining through its involvement in the Kalgoorlie Super Pit, Mt Keith Nickel Mine, Yarrlie Iron Ore Mine, Century Zinc Project and the Sally Malay Project in the Kimberley, 1,150km north east of Karratha where the mining equipment is being mobilised from.

### **West Whundo Copper-Zinc Project**

#### **Open Pit Mine Reserve**

As announced on 29 March 2006, independent mining consultants RSG Global (RSG) have produced a JORC compliant mine reserve statement for the West Whundo feasibility study of **134,000 tonnes @ 6% copper (8,000t contained copper metal)** based on an optimised open pit mine design (Figure 1) using a copper price of A\$5,500 per tonne. The prevailing current copper price has exceeded A\$7,500 per tonne, which is 36% higher than the estimate used in the feasibility study.

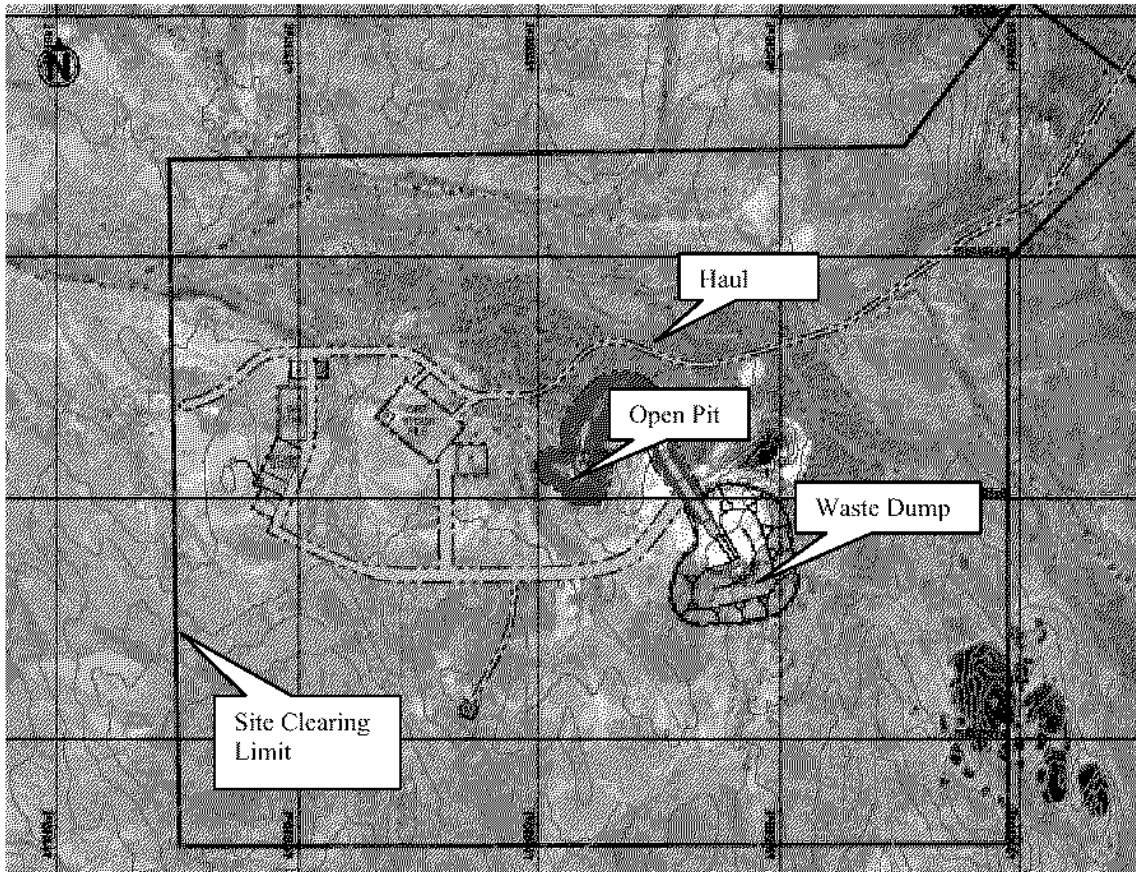


Figure 1 – West Whundo site layout

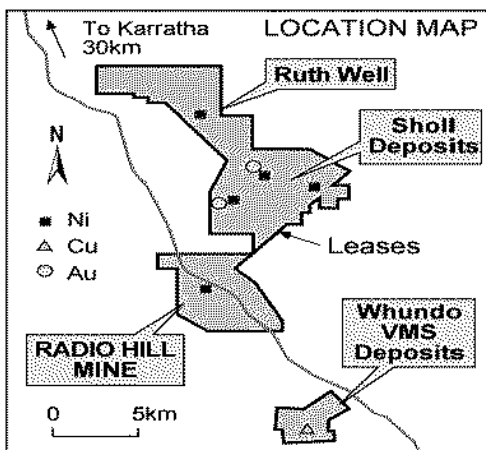


Figure 2 – West Whundo Copper-Zinc Project is located on the Whundo VMS Deposit mining lease

### Ayshia Zinc Project

As announced on the 17 March 2006 assays are expected to be received next week for drilling, progressing towards the geophysical conductor identified at Ayshia. Drill holes have been drilled to the north and towards the centre of the Ayshia anomaly. The Ayshia Zinc Project is a high priority target area for Fox as zinc metal prices continue to surge to record highs.

*“With mobilisation of mining equipment already underway and the removal of mineralised overburden expected to begin within the next two weeks, Fox has just tracked West Whundo to be producing copper as early as June 2006. The shallow nature of the high grade supergene copper ore will allow Fox to complete mining within 5 months, generating exceptional revenue over a very short period, and at a time of record breaking commodity prices. The company will continue its focus on remaining unhedged, debt free and maintaining an aggressive exploration program at its high grade zinc deposit - Ayshia” Don Harper, Managing Director said.*

## **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 Group 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 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 12 km 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.

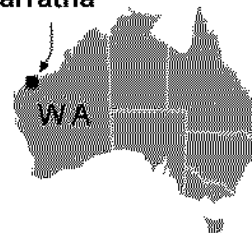
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**Karratha**



*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.*