

30th August 2007

National Stock Exchange of Australia
Ground Floor 384 Hunter Street
Newcastle NSW 2300

BY E-LODGE MENT

PROPERTY FOX NO.1 ANNOUNCES FUTURE STRATEGY AND INTENTION TO CARRY OUT ON-MARKET BUY-BACK

Future Strategy

The directors of the Company have agreed that, following the sale of the majority of the Company's property holdings in South Western Sydney a re-evaluation of the strategy of the Company going forward was necessary.

As at the date of this announcement the Company had approximately \$1.65m in cash at bank and remaining property and other assets of approximately \$1.80m in value. There is a mortgage of \$446,250 over its share of the properties the Company owns in Toowoomba.

The Company is in the process of selling its 4 remaining home units in Sydney which should realise a further \$780,000. Therefore, the Company will have approximately \$2.43m in cash to invest. This means that the Company will, with appropriate debt funding, be able to purchase a commercial property which, it is hoped will achieve good capital growth and a steady income return over the short to medium period.

The directors believe that this type of investment and good capital management will help restore wealth and capital value for all shareholders.

Intention to conduct on-market share buy-back

The Board also announces its intention to conduct an on-market buy-back of up to 10% of the Company's issued capital. At present the Company has the following capital on issue:

5,000,000 fully paid 'A' class shares Listed on NSX

1,250,000 ordinary shares-unlisted

The on-market buy-back is expected to commence once the year-end reports have been finalised, lodged with the market and dispatched to shareholders and will continue for up to a 12 month period. All shares purchased under the on-market buy-back will be cancelled.

"A number of shareholders have expressed there desire to exit the Company, and unfortunately there has been limited liquidity on NSX to allow shareholders to sell there shares. We have sought professional advice on various initiatives to better utilise the cash at bank and consider an on-market buy-back to be the best mechanism to deliver improved shareholder return on a sustainable basis and to reduce volatility in the Company's share price," said Managing Director Peter Spann.



Interested shareholders can contact the Company for more information.

About Property Fox No.1 Limited

Property Fox No. 1 Limited is a real estate investment Company. Along with the array of properties Property Fox No #1 holds throughout Australia, Property Fox No 1 Limited also has a share of 2% in Fox Riverside Pty Ltd which holds 1 Riverfront property in Brisbane. Property Fox No. 1 Limited listed on the National Stock Exchange of Australia on 28 February 2007.

For additional information please contact the Company on +61-7-3031 9971

Property Fox No.1 Limited Forward - Looking Statements

This document contains forward-looking statements that reflect the Company's current expectations regarding future events. Forward-looking statements involve risks and uncertainties. Actual events could differ materially from those projected herein and depend on a number of factors including the success of the Company's marketing strategy, and various other uncertainties.