

8th August 2008

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

BY E-LODGE MENT

**PROPERTY FOX NO.1 RECEIVES BID FROM PRITCHARD EQUITY LIMITED
("PEQ")**

On 5th August 2008 Property Fox No.1 Limited received a conditional hostile unsolicited bid for the company made by PEQ.

Shareholders are advised to take no action in relation to PEQ's offer or any document received from PEQ until they receive the director's of Property Fox No.1 Limited's formal recommendation.

Property Fox No.1 Limited's directors will keep shareholders fully informed of further developments as they occur and provide a formal recommendation on the offer in ample time for shareholders to make an informed decision.

For further information please feel free to contact the Company on 07 3031 9950.

About Property Fox No.1 Limited

Property Fox No. 1 Limited is a real estate investment Company which has holdings in a range of residential properties in New South Wales and Queensland. Property Fox No. 1 Limited listed on the National Stock Exchange of Australia on 28 February 2007.

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.