



MEDIA STATEMENT

15 September 2008

Property Fox No. 1 Limited reports 82 percent increase in losses

Property Fox No. 1 Limited released its full year results to the National Stock Exchange of Australia Limited on Sunday 14 September 2007.

Pritchard Equity Limited has now considered the results released by Property Fox and, while not surprised, confirms its disappointment.

Pritchard Equity's Chairman, Mr Steven Pritchard, said:

Property Fox has now failed to make a profit for five consecutive years under the management of Peter Spann and his associates.

The 2008 results are simply appalling, and highlight the need for an urgent change in the management of Property Fox.

Howard Woolcott and Jodie Stainton now have no choice but to immediately act to remove Peter Spann as the managing director, as he has presided over what can only be described as an unmitigated disaster from the point of view of the Property Fox A Class shareholders.

Property Fox shareholders have two very clear choices. They can accept Pritchard Equity's offer, and benefit from being shareholders in a larger group which is focused upon growing shareholder wealth, or they can risk Pritchard Equity's offer lapsing and risk seeing a continued erosion of the value of their investment.

Importantly, the sooner Property Fox shareholders accept, the sooner the extensive business, legal and financial experience of the Pritchard Board can start to add value to the management of Property Fox.

**PROPERTY FOX SHAREHOLDERS' BEST CHANCE FOR THE
OFFER TO PROCEED REMAINS FOR THEM TO ACCEPT BY 7.00
PM (AEST) ON 2 OCTOBER 2008**

Pritchard Equity Limited ABN 80 100 517 404

10 Murray Street Hamilton NSW 2303 • P O Box 413 Hamilton, NSW Australia 2303 • Telephone: 02 4920 2877 • Facsimile: 02 4920 2878
Email: mail@pritchards.com.au • Webpage: www.pritchards.com.au

The board's credibility has been severely dented

Property Fox shareholders should disregard Peter Spann's statements or recommendations. The announcements and statements from the company have been consistently proven wrong.

Property Fox's claims	Reality
On 18 March 2008, Peter Spann wrote to shareholders telling them that "the directors [have] sought a further independent opinion on the values of the four Sydney properties and have concluded their value to be between \$190,000 to \$200,000".	The independent valuation at June 2008 is \$155,000, resulting in a 20 percent write down of the value of the properties in less than four months.
Peter Spann claims that the share buy back was of benefit to the remaining shareholders in the company because it had the effect of concentrating profits.	Property Fox with Peter Spann as managing director has not made a profit for five years. In reality, the effect of the buy back is to concentrate the losses.
Peter Spann claims that "the potential for the Company is good".	The auditor has issued a qualified audit report that states there is "significant uncertainty regarding continuation as a going concern". The auditor further states that there exists significant doubt as to whether the Group will be able to realise its assets at the amounts stated in the financial report.
At the last annual general meeting, Peter Spann advised shareholders that the company expected to make a considerable profit from its investment in Fox Riverside Pty Limited.	Property Fox has now had to write down the value of its investment in Fox Riverside Pty. Limited. It appears that Property Fox will not even recover its investment, let alone make a significant profit.

Pritchard's Offer remains highly attractive

The market value of Property Fox shares has now fallen to 23 cents.

The implied value of Pritchard Equity's offer is 45 cents per Property Fox share.

This represents a substantial premium of 95 percent over the last sale price of Property Fox shares.

As at 3.00 p.m. on 15 September 2008, Pritchard Equity has a relevant interest in, or acceptance instructions in relation to 7.15 percent of Property Fox A class shares.

About Pritchard Equity Limited

Pritchard Equity is a strategic investment house that makes medium to long term investments. It was established in 2002 and was listed on the National Stock Exchange of Australia Limited (NSX) in 2006.

Pritchard Equity aims to achieve long term shareholder returns through a focused portfolio of significant stakes in companies where Pritchard Equity believes there are good opportunities for the value of an investment to grow over time.

About Property Fox No. 1 Limited

Property Fox is a real estate investment company which has holdings of a range of properties in New South Wales and Queensland. Property Fox A class shares were originally offered to the public at \$1.00 per share in 2002. Since its inception the company has been managed by interests associated with Mr. Peter Spann, a self proclaimed property investment guru. Property Fox has not made a profit in five years. The company's A class shares listed on NSX in February 2007.

Enquiries

Steven Pritchard

Tel. +61 2 4920 2877