



GPO Box 2026
Brisbane QLD 4001

Dear Fox Shareholder,

We have offered to acquire all of your shares in Property Fox No. 1 Limited (**Fox**) for a price of **\$0.30 cash** per share on the terms of our offer dated 15 December 2008 (the **Offer**), which is scheduled to close on 16 January 2009 at 3:00pm (AEST).

The Offer is **63.33%** above the last "on market" price paid for Fox shares and **300%** above the only registered "on market" price currently offered for Fox shares as at Friday 2 January 2009. We believe that our all-cash Offer represents excellent value for your shares in Fox in an uncertain economic environment for your highly illiquid investment in Fox.

The independent expert's report commissioned by Fox in respect of the Offer concluded that in the context of the current economic conditions, the Offer was reasonable, and that there are sufficient reasons for you to accept the Offer in the absence of any higher cash bid before its close on Friday 16 January 2009.

Primrose has now waived all conditions to the Offer other than the 90% minimum acceptance condition set out in paragraph 1 of Appendix 2 of our bidder's statement. In addition, we confirm that this last remaining condition will be waived if Primrose is successful in obtaining a relevant interest in 50.01% or more of the voting rights of the shares in Fox as a whole under the terms of the Offer.

As a result of the disclosure by Fox that it has made a loss of **\$228,555.00** in the period from 1 July 2008 to 12 December 2008, which is equal to a reduction in the value of your shareholding in Fox in excess of 5 cents per A Class share, Primrose has decided that it will not increase the price for your shares under the Offer under any circumstances.

Details of the Offer, including its terms and conditions, are set out in the bidder's statement sent to you on 15 December 2008. We encourage you to give full consideration to the Offer to acquire your shares.

In order for you to accept the Offer the attached completed acceptance form must be received by our registry in Western Australia by 3:00pm (AEST) on Friday 16 January 2009. If you accept the Offer and it is successful you will be paid cash for your Shares no later than 21 days after the Offer closes, providing the last remaining condition is satisfied.

Yours sincerely,

Andrew Perry
Director

Primrose Capital Management Pty Ltd
as Trustee for the Primrose Investment Trust