



6th July 2009

National Stock Exchange of Australia
Level 2
117 Scott Street
Newcastle NSW 2300

BY E-LODGE MENT

PROPERTY FOX NO.2 LIMITED INTEREST IN PROPERTY FOX NO.1 LIMITED

Property Fox No. 2 Limited is pleased to enclose a Notice of Substantial Shareholder notice disclosing that shareholders representing 400,000 shares in Property Fox No.1 Limited have accepted the takeover bid by Property Fox No.2 Limited for all of the A Class shares in Property Fox No.1 Limited. However, it should be noted that this number may include shares of which the applicable shareholders may have accepted the share buy-back of Property Fox No.1 Limited. Final figures will only be available to Property Fox No.2 Limited, once the Board of Property Fox No.1 Limited has concluded the buy-back offer and the applicable shareholdings have been adjusted.

Shareholders can contact the company for more information in relation to the above.

About Property Fox No.2 Limited

Property Fox No. 2 Limited is a real estate investment Company which has holdings in a range of residential properties in Queensland. Property Fox No. 2 Limited listed on the National Stock Exchange of Australia on 28 February 2007.

Property Fox No.2 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

Form 603

Corporations Act 2001

Section 671B

Notice of initial substantial holderTo Company Name/Scheme PROPERTY FOX NO.1 LIMITEDACN/ARSN 101 816 353**1. Details of substantial holder (1)**Name PROPERTY FOX NO.2 LIMITEDACN/ARSN (if applicable) 108 076 295The holder became a substantial holder on 03/07/2009**2. Details of voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
A CLASS	400,000	400,000	8.86%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
PF2	PURSUANT TO TAKEOVER OFFER DATED 18 JUNE 2009	400,000 A CLASS SHARES

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
PF2	PF2	PF2	400,000 A CLASS SHARES

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
PF2	3/07/2009		9 A CLASS SHARES IN PF2 FOR EVERY 10 A CLASS SHARES IN PF1	360,000

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6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
PROPERTY FOX NO.2 LIMITED	LEVEL 21, 333 ANN STREET, SYDNEY, BRISBANE, QLD 4000

Signature

print name

ANDREW WHITTEN

capacity COMPANY SECRETARY

sign here

date 6/7/2009

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.