

22 September 2009

The Manager
Company Announcements Office
National Stock Exchange of Australia
Level 2,
117 Scott Street
NEWCASTLE NSW 2300

Dear Sir,

EXTENSION OF OFFER PERIOD

We refer to the off-market takeover bid (**Offer**) by Property Fox No.2 Limited (**PF2**) for all the Class A shares in the share capital of Property Fox No.1 Limited (**PF1**).

Please find enclosed a notice of variation extending the closing date of PF2's Offer to 7:00pm on Monday, 30 November 2009.

We have also attached a sample copy of a letter which is being sent to PF1 shareholders, with the notice of variation.

PF2 advises that:

- When the Offer was first made PF2 had a relevant interest in no PF1 Class A shares.
- PF2 currently has a relevant interest in 31.30 % of PF1 Class A Shares.

Yours faithfully



Andrew Whitten
Company Secretary
Property Fox No.2 Limited



22 September 2009

Mr A B Sample
123 Sample Street
Sampleville ABC 1234

Dear PF2 Shareholder,

EXTENSION OF OFFER PERIOD

I am writing to advise you that Property Fox No.2 Limited (**PF2**) has extended the offer period for its takeover bid for Property Fox No.1 Limited (**PF1**).

This extension will:

1. Give PF1 shareholders the right to fully consider PF2's increased consideration of 2 cents per share in addition to the previous consideration of 9 PF2 A class Shares for every 10 PF1 A class Shares.
2. Give PF1 shareholders the opportunity to consider the supplementary Target's Statement lodged today, which contains a revised Independent Expert Report.

The offer is now scheduled to close at 7.00pm (AEST) on Monday, 30 November 2009 (unless extended). A formal notice of PF2 extending the offer period is enclosed with this letter.

By accepting the offer, you will receive consideration of 9 PF2 A Class Shares for every 10 PF1 A Class Share and 2 cents per share in cash subject to the satisfaction or waiver of the conditions to the offer. The Independent Expert's report has assessed PF2's revised offer as **fair and reasonable**.

I encourage you to read carefully the details of our offer, which are set out in PF2's Bidder's Statement sent to you previously. The offers are currently open for acceptance by completing and returning the acceptance form enclosed with PF2's Bidder's Statement.

PF2's offer for PF1 represents an exceptional opportunity for PF1 shareholders.

ACCEPT THE PF2 OFFER.

***THE REVISED INDEPENDENT EXPERT'S REPORT HAS
ASSESSED THE OFFER AS FAIR AND REASONABLE***

By accepting the Offer, you will become a shareholder in a company with a larger portfolio which enjoys exposure to a number of projects.

So what do you need to do?

You should support the PF2 offer by sending in your completed acceptance forms accepting the PF2 Offer.

ACCEPT THE PF2 OFFER

The PF2 off is open and is scheduled to close on 30 November 2009 (unless extended).

You may contact the **PF2 Information Line on 07 3031 9950** if you need another acceptance form or proxy form or if you have any questions in relation to PF2's offer.

Yours faithfully



Benjamin Doyle

Director



Howard Woolcott

Director

Property Fox No.2 Limited ACN 108 076 295 (PF2)

Section 650D(1) Corporations Act 2001 (Cth) (“Corporations Act”)

Notice of variation – extension of offer period

To: Property Fox No.1 Limited (**PF1**)

National Stock Exchange of Australia Limited (**NSX**)

Australian Securities and Investments Commission (**ASIC**)

Each person to whom offers were made under the takeover bid referred to in this notice.

PF2 gives notice under sections 650D(1) and 630(2)(b) of the Corporations Act that:

- a) it varies its takeover offer dated 18 June 2009 for all of the A Class shares in the share capital of PF1 (Offer), set out in its bidder’s statement dated 18 June 2009 (**Bidder’s Statement**) by extending the period during which the Offer and will remain open so that the Offer will now close at 7:00pm (AEST) on 30 November 2009.
- b) the new date for the purpose of giving notice of status of defeating conditions under section 630 of the Corporations Act will be 23rd November 2009.
- c) the Offer is varied by replacing:
 - “30 September 2009” with “30 November 2009” in Annexure 1, section 4(a) of the Bidder’s Statement (being the closing date for the Offer unless further extended); and
 - “23 September 2009” with “23 November 2009” in Annexure 1, section 7.5 of the Bidder’s Statement (being the new date for the purposes of giving notice of status of defeating conditions under the Offer, unless the Offer is further extended),and making all corresponding changes in the Bidder’s Statement.
- d) as at the date of this notice, so far as PF2 is aware, no conditions of the Offer have been freed or fulfilled.

Withdrawal Rights

In accordance with section 650E of the Corporations Act, as the extension of the Offer results in a total extension of the Offer Period by more than 1 month, those PF1 shareholders who have validly accepted the Offer on or before the date of this notice may withdraw their acceptance by giving notice to Property Fox No.2 Limited (**Withdrawal Notice**) within 1 month beginning on the day after the date on which they receive this notice (**Withdrawal Period**).

PF1 shareholders who withdraw their acceptance must return any offer consideration received for accepting the Offer. A Withdrawal Notice by a PF1 shareholder withdrawing acceptance under section 650E of the Corporations Act must:

- if their securities are in a CHESS Holding:

- be in the form of a valid originating message transmitted to ASTC by the Controlling Participant for that CHESS Holding in accordance with Rule 14.16.1 of the ASTC Settlement Rules; or
- be in the form of a notice to Property Fox No.2 Limited setting out the information that Property Fox No.2 Limited requires to enable it to transmit a Valid Message to ASTC on behalf of the PF1 shareholder in accordance with Rule 14.16.5 of the ASTC Settlement Rules; and
- in any other case, be in writing to Property Fox No.2 Limited.

If a PF1 shareholder is legally entitled to give, and does in fact give, a Withdrawal Notice within the Withdrawal Period, Property Fox No.2 Limited will before the end of 14 days after the day it is given the Withdrawal Notice:

- return to the Property Fox shareholder any documents that were sent by the PF1 shareholder to Property Fox No.2 Limited with acceptance of the Offer; and
- if the PF1 shareholder's securities are in a CHESS Holding, transmit to ASTC a Valid Message that authorises the release of the relevant securities from the Offer Accepted Subposition in which the securities have been reserved in accordance with Rule 14.16.3 or 14.16.5 of ASTC Settlement Rules (as appropriate).

A copy of this notice was lodged with ASIC on 22 September 2009. ASIC takes no responsibility for the contents of this notice.

DATE: 22nd September 2009

Signed for and on behalf of Property Fox No.2 Limited by:

A handwritten signature in blue ink, appearing to read "Ben Doyle", with a large, stylized flourish below it.

Benjamin Doyle

A handwritten signature in blue ink, appearing to read "H. Woolcott", with a large, stylized flourish below it.

Howard Woolcott