

Form 45-106F1
Report of Exempt Distribution

This is the form required under section 6.1 of National Instrument 45-106 for a report of exempt distribution.

Issuer information

- 1. State the full name of the issuer of the security distributed and the address and telephone number of its head office. If the issuer of the security distributed is an investment fund, state the name of the fund as the issuer, and provide the full name of the manager of the investment fund and the address and telephone number of the head office of the manager. Include the former name of the issuer if its name has changed since last report.**

Fox Resources Ltd.

Name of Issuer

Suite 410 – 325 Howe Street, Vancouver, British Columbia, V6C 1Z7

Address

604-687-3520

Telephone Number

- 2. State whether the issuer is or is not a reporting issuer and, if reporting, each of the jurisdictions in which it is reporting.**

The Issuer is a reporting issuer in British Columbia, Alberta, Manitoba, New Brunswick and Nova Scotia.

- 3. Indicate the industry of the issuer by checking the appropriate box next to one of the industries listed below.**

☐ Bio-tech

Financial Services

☐ investment companies and funds

☐ mortgage investment companies

☐ Forestry

☐ Hi-tech

☐ Industrial

Mining

☒ exploration/development

☐ production

☐ Oil and gas

☐ Real estate

☐ Utilities

☐ Other (describe)

Details of distribution

- 4. Complete Schedule I to this report. Schedule I is designed to assist in completing the remainder of this report.**

See attached Schedule I.

- 5. State the distribution date. If the report is being filed for securities distributed on more than one distribution date, state all distribution dates.**

The securities were distributed on September 30, 2011.

- 6. For each security distributed:**

- (a) Describe the type of security**

Subscription Receipts of the Issuer at a price of \$0.35 per Subscription Receipt, with each Subscription Receipt being convertible into one common share and one common share purchase warrant of the Issuer in accordance with section (b) below.

- (b) State the total number of securities distributed. If the security is convertible or exchangeable, describe the type of underlying security, the terms of exercise or conversion and any expiry date**

25,714,285 Subscription Receipts at a price of \$0.35 per Subscription Receipt. Upon the Issuer meeting certain conditions, namely completing its reverse takeover of Big Sky Operating LLC (the "Proposed Transaction"), each Subscription Receipt will be deemed to have been exercised for one unit (a "Unit") for no additional consideration. Each Unit is comprised of one common share and one common share purchase warrant (a "Warrant"). Each Warrant will entitle the holder to purchase one additional common share of the Issuer for a period of 24 months following the closing date at an exercise price of \$0.66 for the first 12 months following the closing date and at an exercise price of \$0.80 thereafter.

If the Issuer's Proposed Transaction does not complete before November 30, 2011, the Issuer will automatically redeem or repurchase the Subscription Receipts at a price of \$0.35 per Subscription Receipt, plus accrued interest.

(c) **State the exemption(s) relied on**

Sections 2.3 and 2.5 of National Instrument 45-106.

- 7. Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table, securities issued as payment for commissions or finder's fees disclosed under item 8, below.**

Each jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$)	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
British Columbia	29	\$0.35	\$2,234,079.75
Alberta	4	\$0.35	\$113,575
Ontario	1	\$0.35	\$7,000
Washington	2	\$0.35	\$28,770.00
New Mexico	1	\$0.35	\$50,050.00
South Dakota	1	\$0.35	\$35,000.00
New Jersey	1	\$0.35	\$70,000.00
California	20	\$0.35	\$1,261,299.90
Rhode Island	1	\$0.35	\$50,050.00
Alaska	1	\$0.35	\$10,500.00
Missouri	2	\$0.35	\$28,000.00
Nevada	2	\$0.35	\$267,500.10
Tennessee	2	\$0.35	\$43,750.00
Maryland	1	\$0.35	\$17,500.00
Texas	2	\$0.35	\$15,400.00
New York	1	\$0.35	\$10,500.00
Florida	3	\$0.35	\$28,000.00
Colorado	3	\$0.35	\$28,000.00
Illinois	3	\$0.35	\$28,724.85
Virginia	3	\$0.35	\$25,000.15
Louisiana	1	\$0.35	\$24,500.00

Each jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$)	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
Connecticut	1	\$0.35	\$10,500.00
Georgia	1	\$0.35	\$3,500.00
Australia	1	\$0.35	\$7,000.00
Bermuda	3	\$0.35	\$1,579,974.90
Germany	1	\$0.35	\$7,000.00
Hong Kong	2	\$0.35	\$540,050.00
India	1	\$0.35	\$5,000.10
Japan	1	\$0.35	\$7,000.00
Mexico	1	\$0.35	\$2,100,000.00
Panama	1	\$0.35	\$60,025.00
Seychelles	1	\$0.35	\$7,000.00
Switzerland	3	\$0.35	\$215,750.15
US Virgin Islands	1	\$0.35	\$44,999.85
Uruguay	1	\$0.35	\$35,000.00
Total number of Purchasers	103		
Total dollar value of distribution in all jurisdictions (Canadian \$)			\$8,999,999.75

Commissions and finder's fees

8. Complete the following table by providing information for each person who has received or will receive compensation in connection with the distribution(s). Compensation includes commissions, discounts or other fees or payments of a similar nature. Do not include payments for services incidental to the distribution, such as clerical, printing, legal or accounting services.

If the securities being issued as compensation are or include convertible securities, such as warrants or options, please add a footnote describing the terms of the convertible securities, including the term and exercise price. Do not include the

exercise price of any convertible security in the total dollar value of the compensation unless the securities have been converted.

Full name and address of the person being compensated ⁽¹⁾	Compensation paid or to be paid (cash and/or securities)				
	Cash (Canadian \$)	Securities			Total dollar value of compensation (Canadian \$)
		Number and type of securities issued	Price per security	Exemption relied on and date of distribution	
Global Market Development LLC Suite 490 – 201 Lomas Santa Fe Drive, Solana Beach, California, 92075	\$99,999.55	1,830,070 Options ⁽²⁾ 285,713 Units ⁽³⁾	\$0.35	Section 2.3 of NI 45-106	\$99,999.55

Notes:

(1) Global Market Development LLC will not be entitled to the cash commission, Options or Units unless the Proposed Transaction completes and the Subscription Receipts are deemed to be exercised into Units.

(2) Each Option is exercisable into one Unit (with the same terms as the Units underlying the Subscription Receipts) at an exercise price of \$0.35 for a period of 24 months following the date of issuance.

(3) Each Unit (having the same terms as the Units underlying the Subscription Receipts) will be issued at a deemed price of \$0.35.

9. If a distribution is made in Ontario, please include the attached “Authorization of Indirect Collection of Personal Information for Distributions in Ontario”. The “Authorization of Indirect Collection of Personal Information for Distributions in Ontario” is only required to be filed with the Ontario Securities Commission.

Certificate

On behalf of the issuer, I certify that the statements made in this report are true.

Date: October 7, 2011

Fox Resources Ltd.

Name of issuer (please print)

Winnie Wong, Chief Financial Officer, Telephone: 604-687-3520

Print name, title and telephone number of person signing

(signed) “Winnie Wong”

Signature

10. State the name, title and telephone number of the person who may be contacted with respect to any questions regarding the contents of this report, if different than the person signing the certificate.

IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT.

Notice - Collection and use of personal information

The personal information required under this form is collected on behalf of and used by the securities regulatory authorities or, where applicable, the regulators under the authority granted in securities legislation for the purposes of the administration and enforcement of the securities legislation.

If you have any questions about the collection and use of this information, contact the securities regulatory authority or, where applicable, the regulator in the jurisdiction(s) where the form is filed, at the address(es) listed at the end of this report.

Authorization of Indirect Collection of Personal Information for Distributions in Ontario

The attached Schedule I contains personal information of purchasers and details of the distribution(s). The issuer hereby confirms that each purchaser listed in Schedule I of this report

- (a) has been notified by the issuer
 - (i) of the delivery to the Ontario Securities Commission of the information pertaining to the person as set out in Schedule I,
 - (ii) that this information is being collected indirectly by the Ontario Securities Commission under the authority granted to it in securities legislation,
 - (iii) that this information is being collected for the purposes of the administration and enforcement of the securities legislation of Ontario, and
 - (iv) of the title, business address and business telephone number of the public official in Ontario, as set out in this report, who can answer questions about the Ontario Securities Commission's indirect collection of the information, and
- (b) has authorized the indirect collection of the information by the Ontario Securities Commission.