

FOX MARBLE HOLDINGS PLC

(“Fox Marble” or the “Company”)

**Pre close Statement**

**€500,000 worth of marble order book**

Fox Marble, the AIM listed company focused on marble quarrying and finishing in Kosovo and the Balkans region, would like to take this opportunity to deliver a pre close statement to the market ahead of its financial year end on 31<sup>st</sup> December 2013. Fox Marble will release its full year results in March 2014.

**Highlights**

- €500,000 worth of marble has been ordered with €100,000 invoiced
- 200 tonnes of block marble is being shipped to be processed in Italy
- 300 square metres of cut and polished product has been shipped to New York for sale through the Company’s distributor
- The Company is investing a further €550,000 in quarrying equipment
- Notwithstanding the above achievements the Company has chosen to adopt a prudent approach to capital expenditure and delay completion of the processing plant by up to six months and focus on marble sales

As outlined earlier this year Fox Marble continues to make good progress. Production levels are being achieved in line with expectations and, weather permitting, the Company remains on track to achieve its 2014 targets. As expected, the winter begins to inhibit operations in the quarries, however blocks continue to be shipped from the fully operational quarries in Rahovec (quarries A and B) and Suhogerll. A total of 200 tonnes of block marble, of various types, is being shipped to its processing yard in Carrara, Italy for cutting and polishing for onward supply into the market in 2014.

The Company will in early 2014 also commence production of marble in commercial quantities in Malesheva and has now commenced operations in Macedonia in its joint venture white Sivec marble quarry, which is also expected to produce commercial quantities in the spring of 2014.

Fox Marble now plans to invest a further €550,000 in quarrying equipment to ensure increased levels of production are met and able to fulfil increasing demand. This is in light of the progress made with sales and distribution.

The launch of the Company's slab product at our partner Pisani's showroom in London at the beginning of November was very successful, with several of the slabs on display sold on the day. Since then Pisani has sold more of our product through its showroom.

Fox Marble now has an order book of some €500,000 worth of marble, of which some €100,000 has now been invoiced. This is all for cut and polished slabs.

Fox Marble anticipates that its order book will grow at an increasing rate as distribution channels gear up and become more effective and sample delivery takes place and orders are sought. The Company is focussed on aggressive marketing of worldwide block marble as well as for cut and polished slabs. The Company is also seeing repeat orders from marble from its early customers. Successful entry into the key USA market is gaining traction as a container of 300 square metres of cut and polished marble has been ordered and is being shipped for sale through Royalstone, the Company's distributor in New York.

The Company's factory site is now ready for the commencement of construction of the planned processing plant on a 10 hectare site purchased in Lipjan just outside Pristine and some 10 minutes from Pristine airport. Fox Marble has full planning consent to build this plant on the levelled site. The Company had previously planned completion by the end of March 2014 with commercial production by the end of June 2014. This is likely now to be delayed, on current estimates by up to six months in order to mirror the growing order book volume more closely with the costs of completing the factory. This allows the company to balance the risks of capital expenditure against visibility over revenues and takes advantage of substantial economic third party finishing capacity in Italy in a way that the Directors believe is in accordance with the Company's robust risk management strategy.

The Company currently has cash reserves of €5.7million as at 1<sup>st</sup> December 2013.

The Company will maintain and extend production in Carrara to fulfil orders of cut and polished marble slabs in the meantime, further enhancing the reputational value of the Carrara association as part of the branding of premium marble products.

**For more information on Fox Marble please visit [www.foxmarble.net](http://www.foxmarble.net) or contact:**

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**Notes to Editors**

Fox Marble Holdings Plc is an AIM quoted natural stone extraction and production Company operating in Kosovo and the Balkans region, with headquarters in the United Kingdom.

The Company has been granted mining licenses in relation to six separate marble quarries and completed a maiden JORC resource indicating an in-situ valuation of approximately Euro 16.5 billion. Established in 2011, Fox Marble has access to over 300 million cubic metres of premium quality marble including white breccia and honey yellow onyx. As announced in October 2013, it now has four quarries in operation.

Fox Marble also has rights to extract grey marble from the Drini quarry and cream and white grey marble from the Malesheva quarry, both in Kosovo and white Sivec marble from the Prilep Quarry in Macedonia. The Company has also found high quality marble, which it believes to be equivalent to Calacatta gold, in the Suhogerll quarry in Kosovo.

As of Q3 2013, the Company has started to make the first sales of its high quality marble and has signed a distribution agreement with a company in New York to service the US market.