



ABN 52 007 626 575

7 January 2010

The Manager

Company Announcements

Australian Stock Exchange

Level 10, 20 Bond Street

SYDNEY NSW 2000

Bullabulling Gold Operation, Western Australia


Jervois Mining Limited (JRV) has granted Auzex Resources Limited (AZX) an exclusive option over all the Bullabulling assets for a 3 month period exercisable at any time. If the option runs for 3 months, a fee of \$60,000 would apply. This would reduce pro-rata if the option period is shorter.

The key terms of the Agreement are as follows:

- An exclusive option period of three months, exercisable at any time
- An option fee payable on a monthly basis at \$20,000 per month payable in arrears
- Replacement of the security bonds for the mining tenements (approximately \$1.25 million)
- Payment of \$800,000 consideration for existing buildings, plant and machinery*
- Royalty payment of \$30 per ounce for the first 400,000oz gold produced, reducing to \$20 per ounce thereafter.

**At the election of Auzex this payment can be cash or Auzex shares or a combination of both. The Auzex shares to be priced at the volume weighted average share price for the preceding 5 days trading.*

By Order of the Board

A handwritten signature in black ink, appearing to read "D.C. Purcell". The signature is written in a cursive style with a large, stylized 'P'.

DUNCAN C. PURSELL

MANAGING DIRECTOR