

July 23, 2008

Media Release

AUZEX PRO-RATA OPTIONS ISSUE TO SHAREHOLDERS

Exploration company Auzex Resources has announced plans for a share capital expansion to further develop flagship projects in New South Wales and Queensland.

Under the offer, qualified shareholders will be eligible for a non-renounceable pro-rata offer of one option for every two fully paid shares held.

Auzex Executive Chairman John Lawton said the options will be priced at 10 cents. They will have an exercise price of 75 cents and expire on September 30, 2010.

Mr Lawton said Auzex was seeking to raise up to \$1,518,600 from the share offer and funds will be used to strengthen the Company's financial position at a key time in the development of major projects.

He said Auzex is soon to complete the feasibility study for the Kingsgate Molybdenum-Silica-Bismuth Project, near Glen Innes in northern New South Wales, and is also assessing the potentially world class Khartoum tin project in North Queensland.

"This is an exciting time in the growth phase of Auzex Resources as the Kingsgate and Khartoum projects advance," Mr Lawton said.

"We think it's a very attractive offer from a shareholders' point of view."

Mr Lawton said Auzex would include a facility to allow shareholders to apply for options in addition to their entitlement under the pro-rata offer.

"The Directors will allocate any shortfall in the issue, at their discretion, to those shareholders who apply for a greater number of options than their entitlement," Mr Lawton said.

He said documentation of the offer to registered shareholders will be issued shortly on 1 August and the offer is anticipated to close on 22 August.

Mr Lawton said over the next six months Auzex would complete the feasibility study, development, product marketing and financing arrangements for the Kingsgate project.

He said within the same time frame the Company would complete initial assessment of the Khartoum tin project, 100km south-west of Cairns, and establish a JORC compliant resource.

"A large drilling program at Khartoum is planned for the coming half-year with a view to establishing an initial resource in early 2009," he said.

Drilling will also start next summer on Auzex's Lyell goldfields project on the west coast of New Zealand's South Island.

auzex RESOURCES LIMITED

Auzex Resources Limited's wholly-owned subsidiary, Auzex Resources (NZ) Pty Ltd (Auzex NZ), has a Joint Venture Agreement with New Zealand Minerals Ltd (NZML) over tenements held on the west coast of the South Island.

Auzex is an exploration company targeting world-class multi-metal ore bodies that occur within large granite systems. By using modern statistical techniques applied to state-of-the-art ore deposit models, it aims to increase the probability of discovery in the most efficient way.

ENDS

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