

# JERVOIS MINING LIMITED

A.B.N. 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

DUNCAN C. PURSELL  
MANAGING DIRECTOR