



4 February 2010

The Manager
Company Announcements
Australian Stock Exchange
Level 10, 20 Bond Street
SYDNEY NSW 2000

ANNOUNCEMENT – BULLABULLING

Shareholders are advised that Auzex Resources Limited (AZX) has announced that following appropriate 'due diligence' over the Bullabulling gold assets, AZX intends exercising its option to acquire the project from Jervois Mining Limited (JRV).

The option agreement was first disclosed to the market on 7 January 2010.

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.*

JRV understands that AZX are planning an extensive exploration programme and the tenements prospective for gold acquired from the Goldpride Pty Ltd acquisition were a significant element to this important initiative. Goldpride Pty Ltd is a wholly owned subsidiary of JRV and retains the Lake Austin/Lake Barlee uranium tenements that carry an independent preferred valuation of \$1,265,000 as reported to the market in March 2009.

By Order of the Board

A handwritten signature in black ink, appearing to read "D.C. Purcell".

DUNCAN C. PURSELL
MANAGING DIRECTOR