

22 April 2010

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

Bullabulling Gold Project – Sale and Purchase Agreement signed

Dear Sir,

Auzex and Central China Goldfields Plc (**CCG**) have today signed the Sale and Purchase Deed with Jervois Mining Ltd and its wholly owned subsidiary (Goldpride Pty Ltd) to acquire all the rights, title and interest in the Bullabulling Project (**Project**).

Auzex and CCG intend to operate the Project as a 50/50 unincorporated Joint Venture, subject to CCG exercising its option to participate in the Joint Venture and paying Auzex \$1.65 million (in addition to the \$0.25 million paid on 31 March 2010) on or before 30 June 2010. If CCG does not exercise that option, the Project will be wholly owned by Auzex.

The consideration for the Project is:

- \$800,000 for all Plant and Equipment. Auzex will pay today a non-refundable deposit of \$800,000 (comprising \$300,000 cash and \$500,000 in Auzex shares);
- Replacement of the security bonds for the tenements (approximately \$1.198 million, of which CCG will contribute 50%); and
- Assumption of the obligation to pay existing royalties, and payment of a production royalty to Jervois of \$30 per ounce up to 400,000oz of gold produced from the Project and \$20 per ounce thereafter.

Completion of the acquisition is subject to customary conditions precedent including ministerial approvals and replacement of the security bonds, most of which are expected to be satisfied before the end of June 2010.

Jervois has granted Auzex a right of access to the Project until completion to conduct exploration and development activities aimed at understanding the controls and distribution of gold mineralisation. Results of these investigations are expected shortly. Drilling to determine current resources is expected to commence within three months, at which time the proposed Joint Venture will appoint a project manager to oversee a feasibility study estimated to be completed within twenty four months.

By Order of the Board,



Duncan Pursell
Managing Director