

Unit 441 Skyline Apartments
30 Macrossan Street
Brisbane Qld 4000 Australia
GPO Box 3249
Brisbane Qld 4001 Australia
Tel +61 7 3333 2722
Email: enquiries@auzex.com
www.auzex.com

8 September 2010

Mr Greg Seeto
Adviser, Issuers (Brisbane)
Australian Securities Exchange
Level 5, Riverside Centre
123 Eagle Street, Brisbane QLD 4000

ASX RELEASE

Dear Greg

RE: Price Query

I refer to your letter of 7 September 2010 regarding a price query related to a change in the Company's securities. In response to the specific questions contained in your letter, we advise as follows:

- 1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?*

The Company is not aware of any information that has not been announced that could be an explanation for the recent trading in the Company's securities.

- 2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?*

N/A

- 3. Is there any reason to think that the Company may record any material or extraordinary profit for the period ending 30 June 2010? If so, please provide details.*

The Company will record an accounting profit of approximately \$1.5 million on the sale of 50% of the Bullabulling Gold project to Central China Goldfields (CCG) (unaudited). The transactions giving rise to this profit have all been previously announced in detail and are repeated here in summary format. The Company first announced on 7 January 2010 that it had entered into an option to acquire the Bullabulling Gold Project from

Jervois Mining Ltd for a consideration of \$800,000 plus a royalty arrangement. On 4 February 2010 the Company announced it intended to exercise its option to acquire the Bullabulling Gold Project from Jervois Mining Ltd. On 11 February 2010 the Company announced that it had signed a binding heads of agreement with CCG to provide CCG with an option to acquire 50% of the Bullabulling Gold Project for an option exercise fee of \$2.5 million. On 21 March 2010, the Company announced that CCG had formally notified the Company that it intended to exercise its option. On 22 April 2010, the Company announced that the Bullabulling Sale and Purchase Agreement had been signed with Jervois Mining Ltd essentially on the terms previously outlined. On 16 August 2010 the Company announced that the Bullabulling Gold Project acquisition was completed with tenement registration underway.

4. *Is there any other explanation that the Company may have for the price change and increase in volume in the securities of the Company?*

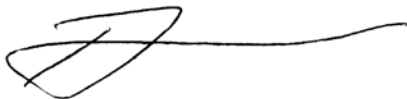
The upgrade in the resource estimate at the Bullabulling Gold Project has been highlighted. Since the closing of the Company's Renounceable Rights Issues on Friday 20 August 2010, the market has been fully informed of progress and, in the Company's view, absorbing the significance of the discovery on its share price. In addition, on 25 August 2010 the Company announced that the rights issues closed oversubscribed indicating strong buying support.

5. *Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.*

The Company confirms that it is in compliance with the listing rules and in particular, listing rule 3.1.

Yours sincerely

Auzex Resources Limited



Paul Frederiks

Company Secretary



7 September 2010

Mr Paul Frederiks
Company Secretary
Auzex Resources Limited
GPO Box 3249
BRISBANE QLD 4001

By email: pmf Frederiks@bigpond.com

ASX Compliance Pty Ltd
ABN 26 087 780 489
Level 5
Riverside Centre
123 Eagle Street
Brisbane QLD 4000

PO Box 7055
Riverside Centre
Brisbane QLD 4001

Telephone +61 7 3835 4000
Facsimile +61 7 3832 4114
Internet <http://www.asx.com.au>

Dear Mr Frederiks

**Auzex Resources Ltd (the "Company")
PRICE QUERY**

We have noted a change in the price of the Company's securities from a closing price of \$0.12 on Thursday, 12 August 2010 and \$0.195 on Monday, 6 September 2010 to an intraday high of \$0.245 today, Tuesday, 7 September 2010. We have also noted an increase in the volume of trading in the securities over this period.

In light of the price change and increase in volume, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?

Please note that as recent trading in the Company's securities could indicate that information has ceased to be confidential, the Company is unable to rely on the exceptions to listing rule 3.1 contained in listing rule 3.1A when answering this question.

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any reason to think that the Company may record any material abnormal or extraordinary profit for the period ending 30 June 2010? If so, please provide details.
4. Is there any other explanation that the Company may have for the price change and increase in volume in the securities of the Company?
5. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by email at greg.seeto@asx.com.au or by facsimile on facsimile number (07) 3832 4114. It should not be sent to the Company Announcements Office.

Australian Securities Exchange

Australian Stock Exchange
Sydney Futures Exchange

Australian Clearing House
SFE Clearing Corporation

ASX Settlement and Transfer Corporation
Austraclear

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, **by 8:30 am (Brisbane time) Wednesday, 8 September 2010.**

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

Yours sincerely



Gregory Seeto
Adviser, Issuers (Brisbane)