

13 January 2012

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ASX RELEASE

Revised Exercise Price for Option Holders

Auzex Resources Limited ("Auzex" or the "Company") provides the following update to its Auzex Resources Limited Option holders ("Optionholders") on the impact of the approved demerger of its non-Bullabulling assets into a new vehicle, Auzex Exploration Limited ("Auzex Exploration").

The demerger of Auzex Exploration was considered and approved by Auzex Shareholders at shareholder meetings held on 16 December 2011 and was implemented on 6 January 2012.

As a consequence, the capital of Auzex was reduced by \$10,098,288 and shares in Auzex Exploration have now been issued to Auzex shareholders undertaken by way of an in specie distribution to Eligible Auzex Shareholders for shares in Auzex Exploration. The distribution was made on the basis of 1 AEL share for every 6 Auzex shares held at the record date of 6.00pm Brisbane time on 30 December 2011.

As a result of the return of capital by way of the in specie distribution, the exercise price of all outstanding Auzex Options has been reduced in accordance with the terms and conditions of the options.

Therefore, the revised exercise price of Auzex Options is:

Listed Options

ASX: AZXO options expiring 13/02/2012	13 cents
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Unlisted Options

1,943,479 options expiring 21/10/2013	10 cents
426,425 options expiring 28/10/2014	19 cents

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