

19 October 2011

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ASX RELEASE

Dear Optionholder

PRO- RATA ENTITLEMENT OFFER

Auzex Resources Limited (**Company**) recently announced a capital raising comprising:

- a placement of \$3.4 million to institutional and sophisticated domestic and international investors; and
- a proposed 1 for 5 renounceable rights issue to raise up to approximately \$4.6 million.

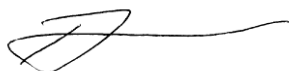
The net proceeds of the capital raising will be used to fund the development of the Company's flagship Bullabulling gold project.

Under the rights issue, eligible shareholders will be able to subscribe for 1 share for every 5 shares that they hold at the record date at an issue price of \$0.24 per share (**Rights Issue**).

To be eligible to participate in the Rights Issue, option holders with a registered address in Australia and New Zealand must:

- (a) confirm that they are entitled to exercise all or part of their options. For example, if the exercise of options are subject to exercise conditions, that those exercise conditions have been satisfied; and
- (b) exercise their options so that they are a shareholder on the rights issue record date of **7.00pm (Sydney time) on Thursday 27 October 2011**.

If you hold options which are subject to exercise conditions which have not been satisfied and cannot be exercised to participate in the rights issue, this letter is provided to you as a formality under the ASX Listing Rules.



Paul Frederiks

Company Secretary