

20 December 2011

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ASX RELEASE

Court Approves Demerger of Auzex Exploration Limited

Auzex Resources Limited (“**Auzex**”) is pleased to announce that the Demerger of Auzex Exploration Limited (“**AEL**”) by scheme of arrangement was approved by the Supreme Court of Queensland at the second Court hearing held today.

Effective Date of Demerger

Auzex intends to lodge an office copy of the order of the Court with the Australian Securities and Investments Commission tomorrow (21 December 2011), at which time the Demerger scheme will become effective pursuant to the *Corporations Act 2001*.

Eligible Shareholders on the Auzex Share register at 6.00pm Brisbane time on the 30 December 2011 will receive 1 AEL Share for each 6 Auzex Shares they own and retain their interest in Auzex which will focus solely on the development of Bullabulling and its proposed merger with GGG Resources plc (“**GGG**”). Further details on the Demerger are set out in the Demerger Scheme Booklet.

John Lawton, Managing Director Auzex Resources commented “This is a positive development for Auzex Shareholders who have approved the demerger of Auzex exploration assets which the Directors believed were being undervalued by the stock market. The demerger was also a condition in Auzex’s merger with GGG which is progressing well and expected to be completed in March 2012.”

“The demerger has created the opportunity to bring a greater focus to the development of the Exploration Assets within its own capital and operational structure whilst ensuring that the sole focus of Auzex is the development of the 2.6 million ounce resource Bullabulling Gold project in Western Australia and its proposed merger with GGG Resources which is progressing well.”

“It is the current intention of the AEL Board that subject to market conditions AEL will apply for listing on the ASX in the first half of 2012.”

Key dates for the implementation of the demerger of Auzex Exploration are:

Event	Date
Effective Date: Scheme takes effect	21 December 2011
Last date Auzex Shares trade on ASX with an entitlement to participate in the Scheme	22 December 2011
Record Date: Time and date for determining entitlement to AEL Shares	6.00pm Brisbane Time on 30 December 2011
Implementation Date: Transfer of AEL Shares to Eligible Shareholders	6 January 2012
Dispatch of share certificates to AEL Shares to Eligible Shareholders	16 January 2012

Other key dates for implementing the Demerger are set out in the Demerger Scheme Booklet sent to shareholders.

For further information, please contact the Auzex Information Line on 1800 356 563 (for Australian callers) or +612 8256 3388 (for international callers) on week days between 9.00am and 5.00pm (Brisbane time).

For further information please check our website (www.auzex.com) or contact John Lawton (Managing Director) or Paul Frederiks (Company Secretary) on +617 3333 2722.