



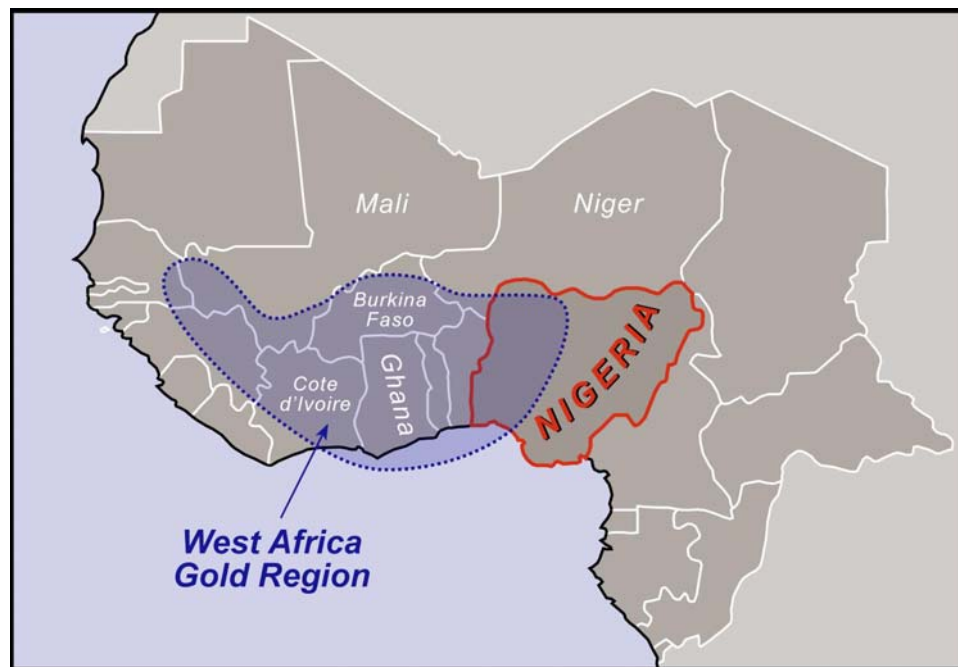
15 November 2010

ASX Announcement

MAJOR PROJECT ACQUISITION - WESTERN AFRICA

The Company is pleased to announce a Heads of Agreement to acquire a 100% interest in Nigeria Gold Pty Ltd ('NGL') which, through its Nigerian subsidiary Mines Geotechniques Limited, owns 47 granted exploration licences covering 2,170km² and a further 17 exploration licence applications over 1,924km² for a total of 4,094km² in three main areas in north-western Nigeria (See NGL location map on page 2).

West Africa is a re-emerging gold province of international significance as new discoveries are made and mines brought on stream in countries including Guinea, Cote d'Ivoire, Burkina Faso and Ghana.



West African Gold Region

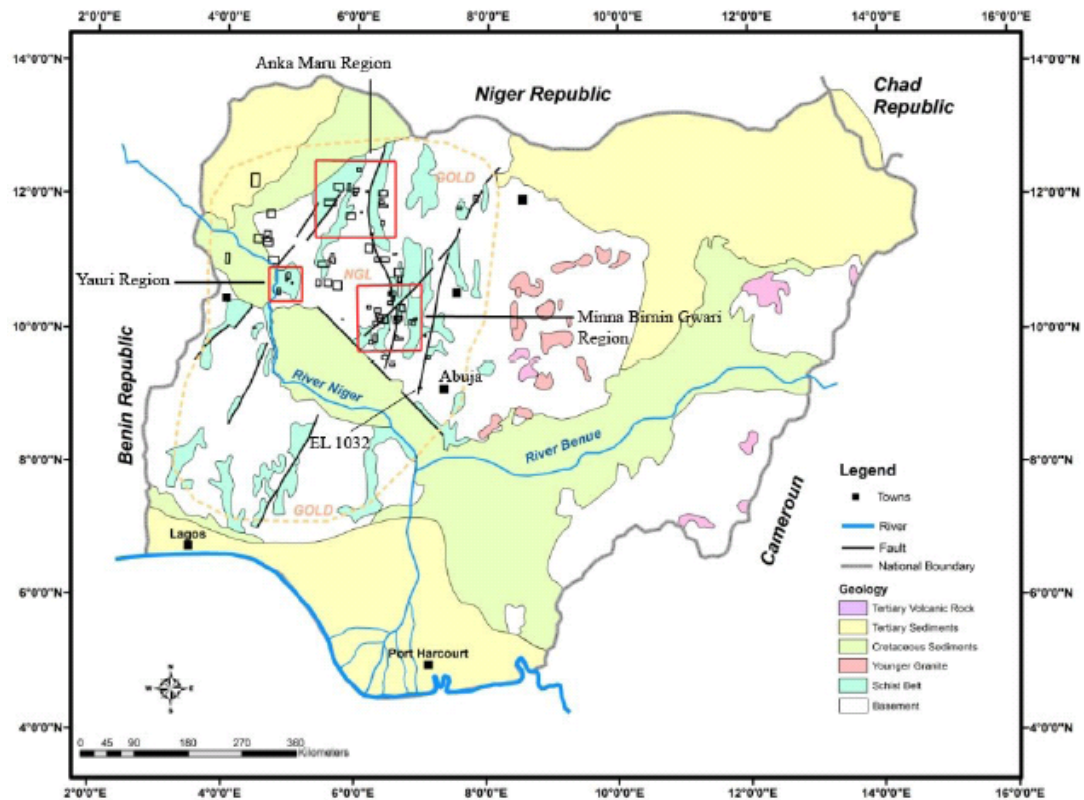
Nigeria has historically produced gold but has been more focussed on its oil production. The north-west schist belt has similarities with the Birimian area of Ghana. The region has been underexplored especially using modern exploration techniques. There are numerous small scale artisanal mining operations which assist with exploration.

The Nigerian Government is committed to exploration and development of its resources and has recently modernised its Federal Mining Act. Exploration activity in Nigeria has been increasing with several mining exploration companies active in the northern region of the country. This opportunity is outside the oil production regions located in the south.



NGL's Leases

The mainly wholly-owned leases are located in three main areas in north-western Nigeria in the relatively dry savannah-like region of the country which has good access and comparatively low land use intensity. Drill-ready targets for gold and base metals are being worked up through ongoing soil sampling and geological mapping programs.



Location Map of the Nigeria Gold Pty Ltd tenements

AGREEMENT TERMS

AUZ will enter into Share Sale Agreement ("SSA") with each of the NGL shareholders ("NGL shareholders") as follows:

AUZ will seek shareholder approval for the acquisition of NGL. If approved AUZ will issue fully paid ordinary AUZ shares in instalments to initially acquire 81% of the NGL issued capital from the existing NGL shareholders by issuing fully paid ordinary shares in the first instalment (Tranche 1 in the table below).

On 1 July 2011 AUZ will acquire from each NGL shareholder the remaining 19% of their issued share capital in NGL by issuing fully paid ordinary AUZ shares as set out below (Tranche 2).



As shown in the table below, the 2nd Tranche will be adjusted for the non-award of Exploration Licence Applications currently pending approval.

A third instalment (Tranche 3) will be issued to the NGL shareholders upon successful exploration results as set out below.

AUZ SHARE ISSUE Issued shares are stated on a post consolidation basis as outlined in Resolution 3 of the AUZ Notice of AGM.		
CONDITION FOR ISSUE OF SECURITIES	NGL secures approval for at least 2 high priority ELA's	NGL if approval for at least 2 high priority ELA's is not secured.
Tranche 1. Unconditional	180,000,000 fully paid ordinary AUZ shares	180,000,000 fully paid ordinary AUZ shares
Tranche 2. - If AUZ achieves certain milestones from its Australian gold assets:	Issue 30,000,000 fully paid ordinary AUZ shares	Issue 15,000,000 fully paid ordinary AUZ shares
- If AUZ fails to achieve certain milestones from its Australian gold assets:	Issue 120,000,000 fully paid ordinary AUZ shares	Issue 60,000,000 fully paid ordinary shares
Tranche 3. if exploration results identify a JORC Indicated Resource of 500,000 ozs of gold within 2 years of acquisition	Issue 36,000,000 fully paid ordinary AUZ shares.	Issue 36,000,000 fully paid ordinary AUZ shares.

Under the terms of the agreement AUZ will advance NGL a 1 year \$100,000 loan by 19 November 2010.

After completion of due diligence, NGL representatives will be appointed to the board.

Full details of the transaction will be released in the information memorandum associated with the proposed notice of meeting at an EGM of shareholders.

CAPITAL STRUCTURE – Post Reconstruction and after potential share issue

The issue of new AUZ shares to NGL shareholders will total between 195,000,000 ordinary AUZ shares (post reconstruction) or 336,000,000 depending on a combination of certain milestones achieved by AUZ with its Australian gold assets and NGL acquiring outstanding high priority ELA's and defining JORC resources. Post consolidation and achievement of certain milestones, the table outlines the possible share structure of the company.



AUZ SECURITIES	NGL :2 additional high priority ELs awarded		NGL:No additional high priority ELs awarded	
	AUZ gold milestones achieved	AUZ gold milestones not achieved	AUZ gold milestones achieved	AUZ gold milestones not achieved
SHARES ON ISSUE	6,981,662,168	6,981,662,168	6,981,662,168	6,981,662,168
Consolidated 1:20 shares	349,083,108	349,083,108	349,083,108	349,083,108
Issue of shares once certain conditions are met and post shareholder approval	210,000,000	300,000,000	195,000,000	240,000,000
AUZ Total Issued capital	559,083,108	649,083,108	544,083,108	589,083,108
Issue of shares on reaching JORC Indicated Resource of 500,000 ozs Au	36,000,000	36,000,000	36,000,000	36,000,000
Total potential AUZ securities on issue	595,083,108	685,083,108	580,083,108	625,083,108

FUNDING

AUZ will review its funding alternatives for exploration. As mentioned above AUZ needs to achieve certain milestones with its gold interests in Kalgoorlie. It has plans to mine gold from the Mt Martin gold mine. Recently AUZ finalised a mine design that indicates the open pit cutback will be profitable under various treatment options and current gold prices.

Proceeds from Mt Martin can be used for funding exploration. Further funding alternatives will be decided after AUZ reviews the potential of its gold assets.

INDICATIVE TIMETABLE

AUZ will complete due diligence on NGL and execute a binding SSA in December 2010.

It is expected that a Notice of Meeting and an information memorandum will be sent to shareholders for a Shareholders' Meeting to be held in early 2011.



SUMMARY

The Nigerian gold project acquisition is an exciting opportunity for AUZ to acquire a large holding in an area which is considered highly prospective for gold as well as other minerals.

The northern area of Nigeria is largely underexplored using modern exploration techniques and therefore offers AUZ and its shareholders potential to discover significant gold resources.

For further information contact:

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AUZ SCHEDULE OF LISTED AND UNLISTED SECURITIES Post AGM 15 November 2010

AUZ CAPITAL STRUCTURE	Pre Consolidation		Post Consolidation	
SHARES ON ISSUE	6,981,662,168		349,083,108	
OPTIONS	Pre Consolidation		Post Consolidation	
	No	Exercise Price	No	Exercise Price
QUOTED OPTIONS				
30 June 2013 Options	1,191,288,839	\$0.002	59,564,442	\$0.04
UNQUOTED OPTIONS				
31 December 2011 Director Options	1,500,000	\$0.050	75,000	\$1.00
31 December 2011 Director Options	3,250,000	\$0.075	162,500	\$1.50
31 December 2011 Director Options	3,250,000	\$0.100	162,500	\$2.00
31 December 2011 Director Options	3,250,000	\$0.125	162,500	\$2.50
31 December 2011 Executive Options	500,000	\$0.075	25,000	\$1.50
31 December 2012 Executive Options	250,000	\$0.075	12,500	\$1.50
31 December 2014 Director Options	65,000,000	\$0.003	3,250,000	\$0.06
31 December 2014 Director Options	65,000,000	\$0.004	3,250,000	\$0.08
31 December 2014 Director Options	65,000,000	\$0.005	3,250,000	\$0.10
31 December 2014 Director Options	65,000,000	\$0.006	3,250,000	\$0.12
Total Options	1,463,288,839		73,164,442	