

Aurox Resources Limited



Monday, 4 January 2010

Mr James Rowe
Manager, Issuers (Perth)
Australian Securities Exchange
Exchange Plaza
2 The Esplanade
PERTH WA 6000

AUROX Resources Limited
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Australia

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www.aurox.com.au

Dear Mr Rowe

RESPONSE TO PRICE AND VOLUME QUERY

We refer to your letter dated 4 January 2010 regarding changes in the price and volume in the Company's securities, and provide the following response:

1. The Company has previously announced its intentions to secure financing for the Balla Balla Project. The Company is currently involved in preliminary negotiations relating to the provision of funding and construction services for the Company's Balla Balla Project. These negotiations are incomplete and there is no certainty that they will lead to a binding agreement. As such, the Company is not presently in a position to make an announcement on this matter.

The Company is also aware of the recent article in China Daily reporting that the Company had agreed a sale of 50% of the Balla Balla Project to two Chinese steel mills, Hebei Iron & Steel Group (Hebei) and RockCheck Steel Group (RockCheck). This report is false. The Company has not reached any agreement with Hebei or RockCheck in relation to an investment in, or funding for, the Balla Balla Project.

2. Please refer to the response to 1 above. If negotiations progress to a stage where the Company is able to make an announcement, it will do so immediately.
3. The Company is not aware of any other reason for the recent changes in price and volume of the Company's securities.
4. The Company advises that it is in compliance with the listing rules and, in particular, listing rule 3.1.

Yours sincerely,

Charles Schaus
Managing Director



ASX
AUSTRALIAN SECURITIES EXCHANGE

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Perth WA 6000

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4 January 2010

Mr Craig Ferrier
Company Secretary
Aurox Resources Limited
1/245 Churchill Avenue
Subiaco WA 6008

By Facsimile: 9382 2012

Dear Craig

Aurox Resources Limited (the "Company")

PRICE AND VOLUME QUERY

We have noted a change in the price of the Company's securities from 27 cents on 31 December 2009 to a high of 30.5 cents today. We have also noted an increase in the volume of trading in the securities over this period.

In light of the price and volume change, 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 other explanation that the Company may have for the price and volume change in the securities of the Company?

4. 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 on james.rowe@asx.com.au or by facsimile number (08) 9221 2020**. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, **not later than 11 am (W.S.T) on Monday, 4 January 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,



James Rowe

Manager, Issuers (Perth)

Direct Line: (08) 9224 0001