

AuDAX

RESOURCES LTD
Incorporated in Western Australia
A.B.N. 50 009 056 646

Mr John Moran
Senior Companies Advisor
Australian stock Exchange Ltd
Level 8
Exchange Plaza
2 The Esplanade
Perth WA 6000

By Facsimile; 92212020

Dear Sir

AuDAX Resources Ltd – Price Query

I refer to your query in relation to the increase in price of the Company's securities over the last two days trading and offer the following response to your questions.

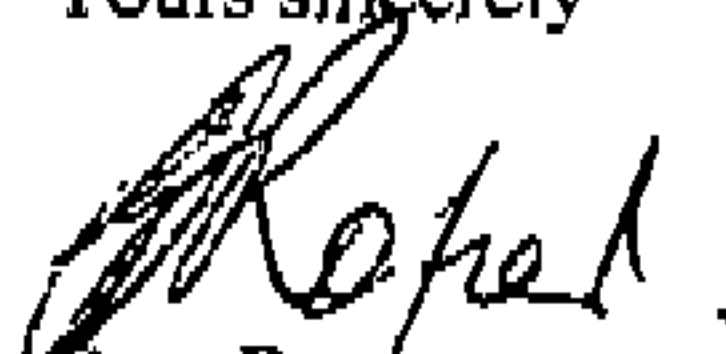
1. The Company is not aware of any information that has not been announced which, if known, could be an explanation for recent trading in its securities.
2. Not applicable.
3. The price increase may be attributable to the expectation of better results from the ongoing exploration by Newmont and AuDAX over the much publicized Bronzewing South tenements. Newmont has advised that it is currently drilling an underground diamond hole and has completed three precollars for surface diamond holes. Samples have been collected but not submitted for assay as yet. AuDAX is continuing its soil sampling programme and is awaiting the balance of assays from 96 RAB/Aircore scout drillholes. As reported last month (June 6) results are encouraging and the soil sampling has and is continuing to produce "a number of interesting anomalies and trends". Further results and will be reported when compiled.

The price adjustment may also reflect a better understanding by the market of AuDAX's position in relation to the recent adverse media publicity regarding Newmont Yandal Operations and speculation regarding the future of the Bronzewing Mine.

4. The Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Should you require further information please do not hesitate to contact me.

Yours sincerely



Gary Roper
Managing Director
July 1, 2003

**ASX**

AUSTRALIAN STOCK EXCHANGE

FAXED
30 June 2003

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Level 8
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Mr Leith Beal
Director
AuDAX Resources Limited
Ground Floor
125 Edward Street
PERTH WA 6000

By Facsimile: 9328 2869

Dear Sir

AuDAX Resources Limited (the "Company")

RE: PRICE QUERY

We have noted a change in the price of the Company's securities from 28 cents on 26 June 2003 to a high of 39 cents today.

In light of the price 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?
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 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 e-mail at john.moran@asx.com.au or by facsimile on 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 3.30 pm W.S.T.) on Tuesday, 1 July 2003.

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

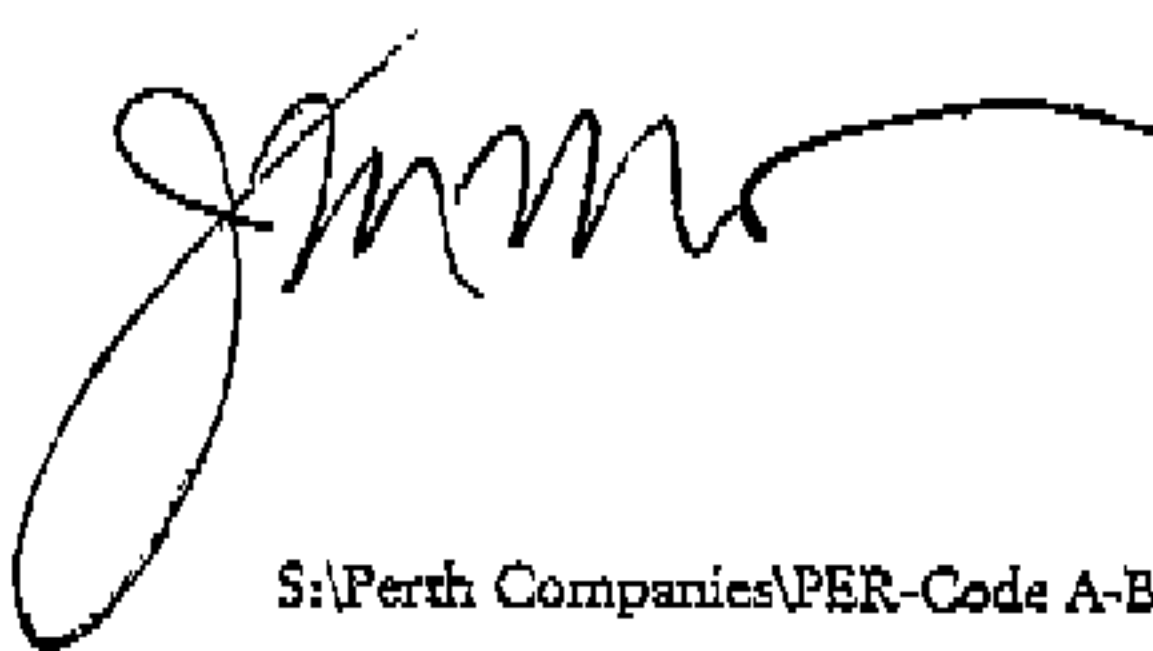
If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts we may grant a trading 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 faithfully,



John Moran
Senior Companies Advisor

Direct Line: (08) 9224 0013