AUGUR Resources Ltd

ASX and MEDIA RELEASE

21 August 2008

MAIDEN RESOURCE ESTIMATE
HOMEVILLE NICKEL-COBALT DEPOSIT

- Augur Resources (ASX:AUK) is very pleased to announce an initial resource estimate of **12.2Mt at 0.91% nickel and 0.06% cobalt** (cut off 0.7% nickel) at its Homeville deposit in central New South Wales.

- The maiden estimate of the resource was independently calculated and is reported under the JORC Code. The inferred resource is estimated to contain approximately **110,000 tonnes of nickel and 7300 tonnes of cobalt**.

- There is **potential for increased tonnage** as only 1300m of a 4400m magnetic anomaly strike length has been included in the resource estimate. Mineralisation remains open to the east and west. Also 27 of the 43 holes **finished in nickel mineralisation averaging 1.0% nickel**.

- The **mineralisation is at surface in some areas** and has an average depth of only 10m below surface.

Augur's managing director Grant Kensington said: "It is a major step for Augur Resources as a company to announce its first resource reported with JORC compliance, especially when the resource was an Augur Resources discovery and the grade is relatively high for an Australian laterite deposit.

The resource is open both to the east and to the west. We know that holes 660m along strike to the east have intersected comparable grades to those in the estimated resource and that the strike length of the associated magnetic anomaly is 4600m. It bodes well that this resource has the potential to be significantly increased in time."

Mr Kensington also said "The quantity and quality of the resource is very favourable for progressing this deposit towards a prefeasibility study and potentially developing the deposit."

The mineralisation used in the resource estimation covers a strike length of 1300m and averages a width of 150m. The average depth to mineralisation is approximately 10m and the average true thickness is 30m. Mineralisation extends to the surface in a number of areas.

Augur Resources commissioned Hellman and Schofield Pty Ltd (Hellman and Schofield) to undertake an independent resource estimation of the Homeville nickel-cobalt laterite deposit. Hellman and Schofield note that 27 of the 43 holes drilled to date ended in nickel grades exceeding 0.5% and that the average grade in the last intervals of these 27 holes is 1.00% nickel. This indicates that there is potential below the currently defined resource for additional resource. A summary of the resource estimate is presented in Table 1 and detailed notes are provided at the end of this announcement.

Tonnes	Nickel %	Cobalt %	Iron %	Magnesium %	Aluminium %	Nickel Cut-off Grade %
16,800,000	0.81	0.06	20.8	3.6	2.4	0.5
12,200,000	0.91	0.06	20.2	4.1	2.3	0.7
3,600,000	1.11	0.05	18.4	4.9	2.2	1.0

Table 1: Summary of the Inferred Resource for Homeville Nickel-Cobalt deposit, Nyngan, New South Wales, Australia.

Figure 1: View looking across the Homeville Nickel-Cobalt deposit, Nyngan, New South Wales, Australia.

Current and Proposed Work Program

Independent metallurgical testing of the mineralisation has already commenced and this work should give an indication of the likely recoverable nickel and cobalt in the deposit and an indication of the level of acid consumption. At a 0.7% Ni cut-off, magnesium content is relatively low at 4.1% and this is prior to any screening. Low magnesium contents aid in reduced acid consumption and therefore reduced operating costs.

Check assays of selective samples from the air-core program are currently being undertaken. Additional drilling will be undertaken to further define the resource to the east, west and below the known mineralisation. Diamond drill hole twins of selected existing air-core holes will also occur to improve geological understanding of the deposit, test the representivity of the air core samples and test depth extent of mineralisation in areas where the air-core could not penetrate. This program will commence in the near future.

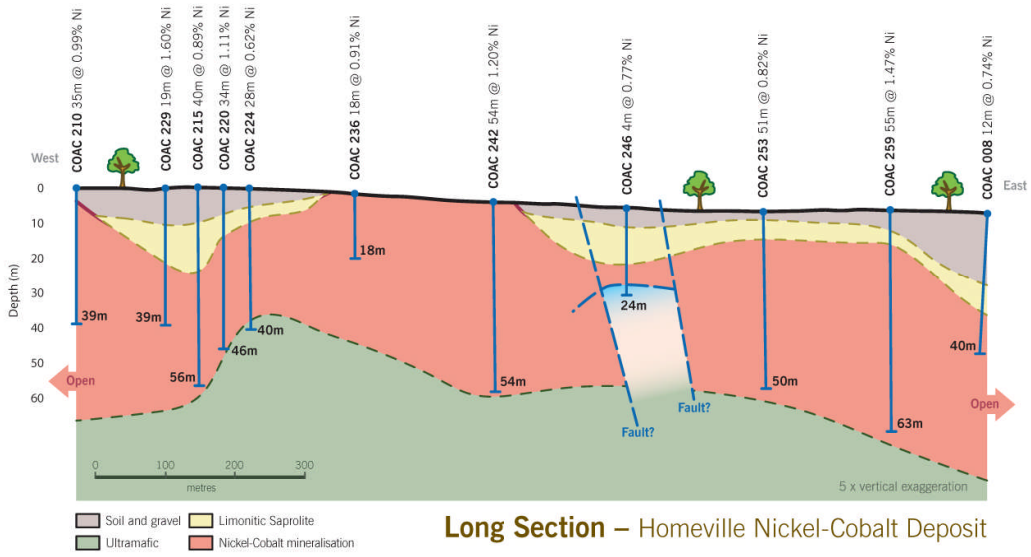


Figure 2: Long section of the Homeville Nickel-cobalt deposit showing location of the mineralisation to surface and drill holes.

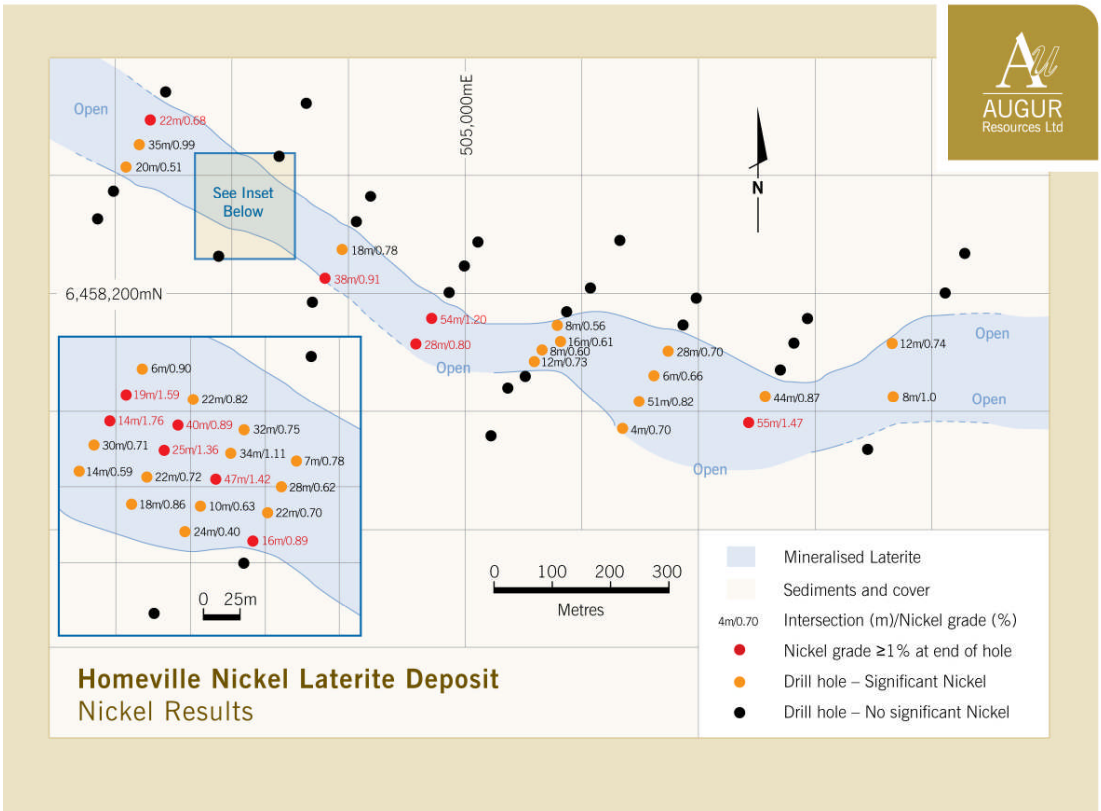
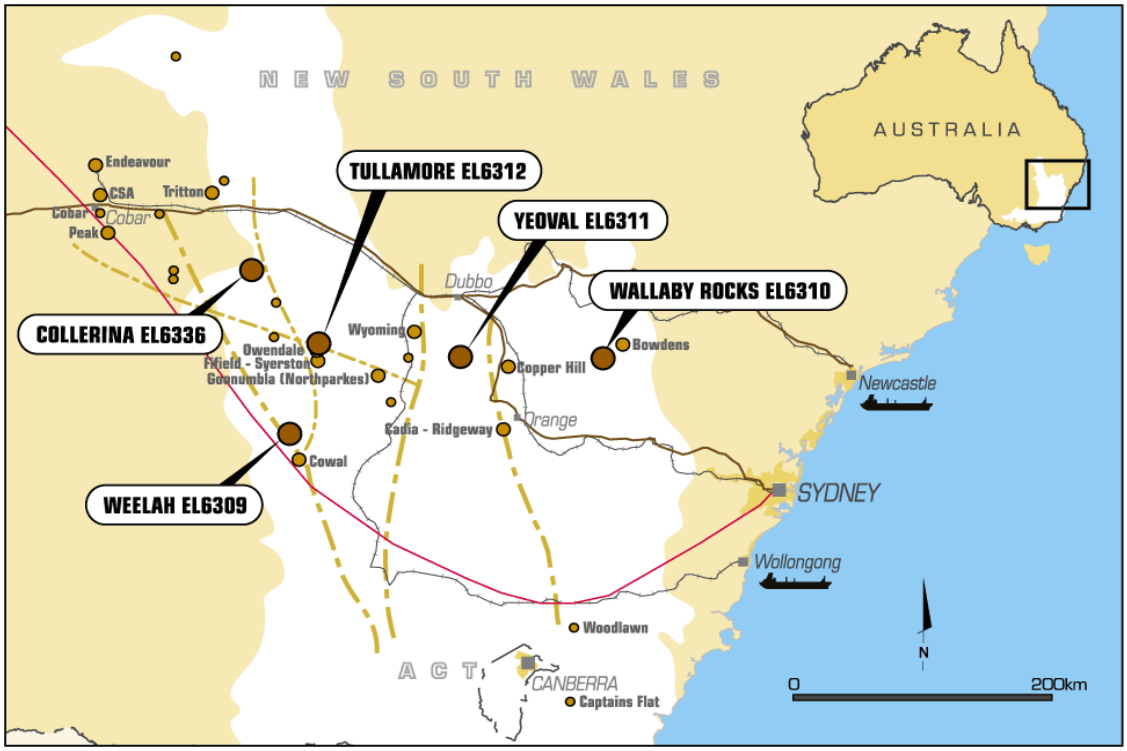


Figure 3: Plan view of the Homeville Nickel-Cobalt deposit. Note the mineralisation is open both to the east and west.

Location of the Deposit

The Homeville nickel-cobalt deposit is within the Collerina Project which is well situated with regards to infrastructure and resources. The deposit is approximately 50 km south of the town of Nyngan in the central west of New South Wales. Nyngan has serviced a number of startup mines in recent times.

Access to the deposit site is via a sealed and all weather roads. An all weather road passes within 100m of the known mineralisation. Railway lines to major east coast ports are within 55km of the deposit. The Bogan River is within 20 km of the deposit.



For further information, please contact:

Grant Kensington

Managing Director

Tel: +61 (02) 9267 8333

The information in this report that relates to Mineral Resources is based on information compiled by Dr Phillip Hellman. Dr Hellman, FAIG, is a Director of Hellman & Schofield Pty Ltd ("H&S") and qualifies as a Competent Person under the meaning of the 2004 JORC Code. He consents to the inclusion of these estimates, and the attached notes, in the form and context in which they appear.

The information in this ASX announcement dated 21/8/08, referring to Augur Resources Maiden Resource Estimate at Homeville is based on information compiled by Augur staff and approved by Robert Pyper, who is a Fellow of the AusIMM

Mr Pyper is the principal of Minnelex Pty Ltd., which is a geological consultancy. Mr Pyper has had over 40 years experience as a geologist and has had sufficient experience relevant to the styles of mineralisation and the types of deposits under consideration and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Pyper consents to the inclusion in the report of matters based on his information in the form and context in which it appears.

Augur's projects

About Augur

Augur is a NSW-based resource development company, with a focus on copper, gold and nickel projects within the Lachlan Fold Belt in central NSW. The region contains a number of world class copper and/or gold deposits including Cadia, Ridgeway, North Parkes and Cowal.

The Company has a highly experienced Board and Management team, which includes extensive porphyry copper-gold exploration experience both internationally and within NSW.

Augur is advancing the Yeoval copper-gold-molybdenum-silver project towards its initial JORC compliant resource. Yeoval was one of the first porphyry copper deposits found in Australia. Drilling in the early to mid 1970's identified a broad copper mineralised zone and a pre-JORC resource of 37Mt at 0.3% copper had been reported. No additional drilling of the main mineralised area at Yeoval had been undertaken prior to the commencement of drilling by Augur Resources in 2008. During 2008 Augur has drilled a number of holes that have intersected high grade mineralisation at Yeoval with the best reporting 90m at 0.9% copper including 18m of 2.01% copper and 0.4 g/t gold and Augur continues to explore 11 additional promising targets within the Yeoval project area.

Augur discovered the Homeville nickel-cobalt laterite deposit after following up on initial drilling in 2006. Drilling in 2008 has confirmed the existence of significant nickel-cobalt grades at Homeville including 55m at 1.47% nickel and 54m at 1.20% nickel. Drilling has shown that nickel and cobalt mineralisation exists over at least 2.2 km of a 4.6km long magnetic high.

For more information, please visit www.augur.com.au

Issues Relating to Resource Estimation

43 air-core drill holes define the Homeville body of nickel laterite mineralisation. These consist of 737 Co, 697 Ni, 431 Al, 737 Cr, 431 Mg and 737 Mn assays as well as a variable number of assays for other elements such as S, Sc and Ti. Approximately 340 Ni and Co assays are based on samples within the mineralised body.

Assays largely relate to four metre spear-composited air core samples that were drilled on a one metre basis. Approximately 13% of intervals within the mineralisation are one or two metres in length. No diamond core twin holes are available to test the representivity of the air core samples. There are an inadequate number of assay results from rig-split duplicates to test sampling errors. Four duplicate splits from hole COAC233 were taken from 0 – 16 metres. The original Ni values are from a poorly mineralised area (207-540 ppm) and on average the four duplicate splits returned values for Ni and Co 40% lower than the original values. Although these results are not definitive they emphasize the need to obtain diamond drill hole twins of existing air-core holes.

The recording of air-core recovery is inadequate with no quantitative observations. Poor core recoveries may result in significantly biased samples. No check assays have been completed. No anonymous control samples such as standards or blanks were submitted along with original air-core samples. An assumed density value of 1.8 has been used on the advice of Augur. No actual measurements are available.

Sampling included rocks and core stones. No quantitative logging of their volume was carried out. Potential for upgrade by physical processes such as simple screening cannot, therefore, be evaluated. Typically, lateritic nickel deposits contain coarse gravel and cobbled sized fragments that have high Mg and low Ni-Co grades that may be excluded during the early stages of processing.

An interpretation of the lithological and weathering variation is yet to be completed and the current geological database requires improvement for upgrading of resource estimates to Measured and Indicated.

27 out of the 43 holes that intersected mineralisation have Ni grades exceeding 0.5% in their last interval. These last intervals average 1.00 % Ni (to a maximum of 1.9%). This indicates that there is potential below the currently defined resource.

A single mineralized domain was defined on the basis of an inspection of Ni, Co, Fe and Mg grades as well as logged lithologies. Extrapolation across strike beyond the outside mineralized drill hole in each fence of holes is limited to ~20 metres and at the northern and southern ends of the deposit the extrapolation is 50 metres. A block model with dimensions of 20 x 20 x 4 metres (E x N x RL) was constructed.

Data was supplied by Augur and has been accepted in good faith by Hellman & Schofield who take responsibility for resource estimation.