

18 October 2011

The Manager Companies  
ASX Limited  
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SYDNEY NSW 2000

(6 pages by email)

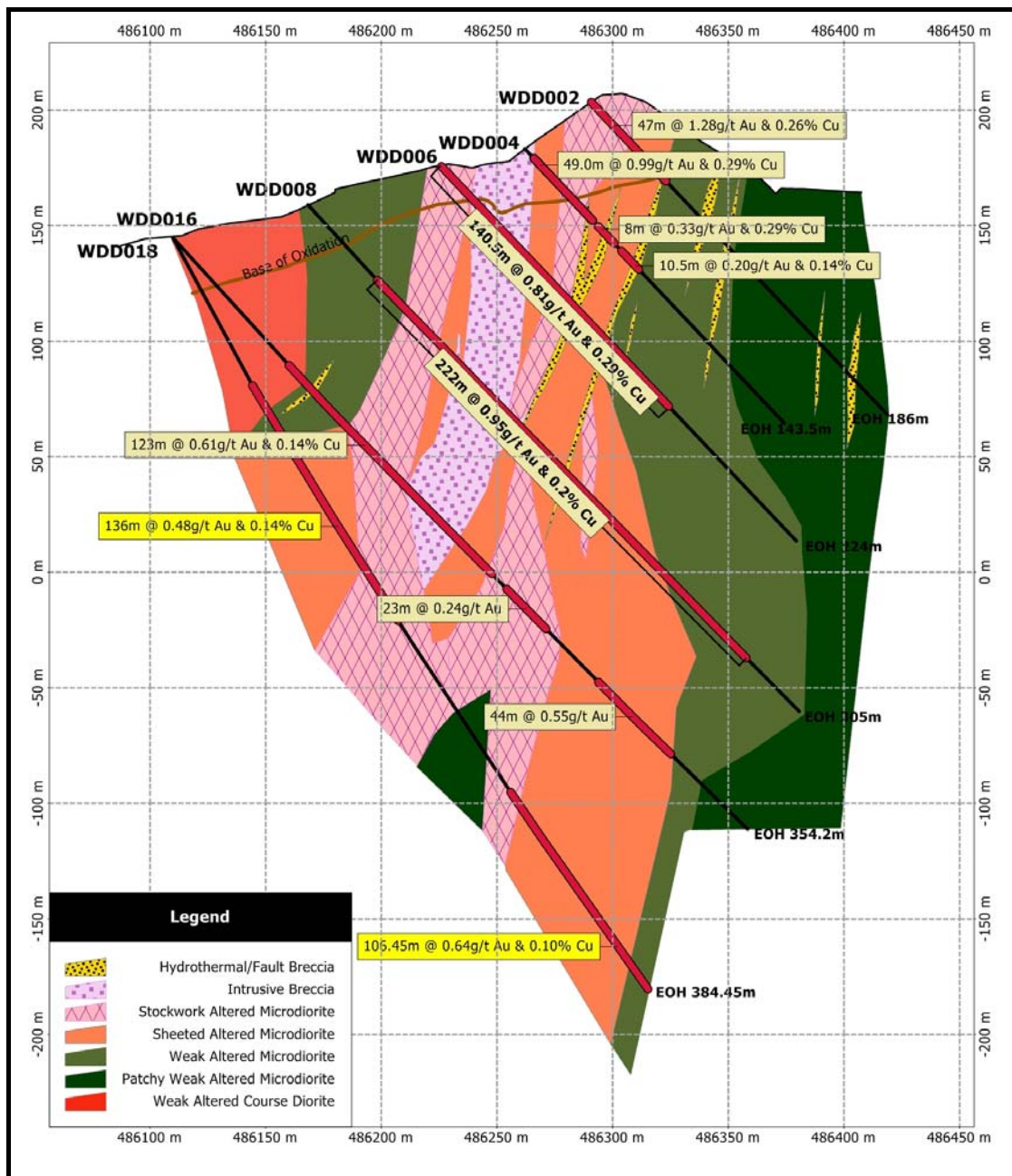
Dear Madam,

### **Extensive Gold and Copper mineralisation in holes WDD017 and WDD018 at Wonogiri**

- Gold and copper results have been received for holes **WDD017 and WDD018** with extensive zones of gold and copper identified in both holes.
- Hole WDD017 is the northern most hole reported to date and returned significant mineralisation including **55.0 metres at 0.41 g/t gold and 0.16% copper**.
- Hole WDD018 was drilled to test depth extension of the main Randu Kuning zone and intersected two zones of significant mineralisation including **136.0 metres at 0.48 g/t gold and 0.14% copper** from 159.5 metres and a further **106.5 metres at 0.64 g/t gold and 0.10% copper**, ending in mineralisation.
- Confirms extension of mineralisation at depth and extension of mineralisation to north.
- Drill hole WDD022 commenced testing epithermal target 200 metres north of Randu Kuning.
- Two additional drill rigs expected on site prior to mid-November.

The Directors of Augur Resources Ltd ('Augur' or 'the Company') are pleased to report results for diamond drill holes WDD017 and WDD018 from the Randu Kuning prospect, Wonogiri project in Central Java.

Hole WDD017 was drilled to test for further mineralisation to the north of the mineralisation at Randu Kuning. This hole is located approximately 50 metres north of WDD015 (182.0 metres at 0.75 g/t gold and 0.17% copper), which had previously been the northern most hole. WDD017 intersected a zone of 55.0 metres at 0.41 g/t gold and 0.16% copper. This is significant as it indicates that mineralisation continues to the north of the previously identified mineralised zone and supports the potential for mineralisation at depth.



**Cross section of diamond drill holes WDD002, WDD004, WDD006, WDD008, WDD016 and WDD018 showing the extent and zones of gold and copper mineralisation. Mineralisation remains open at depth. Mineralisation widths are drilled widths.**

Hole WDD018 intersected two significant zones of mineralisation. The shallower zone returned 136.0 metres at 0.48 g/t gold and 0.14% copper from 73 metres. This zone included 4.0 metres at 2.35 g/t gold and 0.37% copper. A second deeper zone of 106.5 metres at 0.64 g/t gold and 0.10% copper from 278 metres was intersected. This lower zone ended in mineralisation.

Hole WDD018 was drilled from the same drill pad as WDD016, with the angle of the drill hole 15 degrees steeper than that used for WDD016. The results continue to indicate that there is apparently continuation of the mineralisation between holes and at depth.

Mineralisation is associated with quartz stock working and as disseminated mineralisation within a micro-diorite. The two zones in hole WDD018 are separated by an intense zone of quartz and magnetite veining. Interpretation of recent drilling data and ground magnetic data highlights the potential for further mineralisation to the west and at depth of the current drilling. The mineralised zone to the north remains open and consideration is being given to drill some deeper holes to the south of the known mineralised zone as there is potential for mineralisation below the zone tested by Augur.

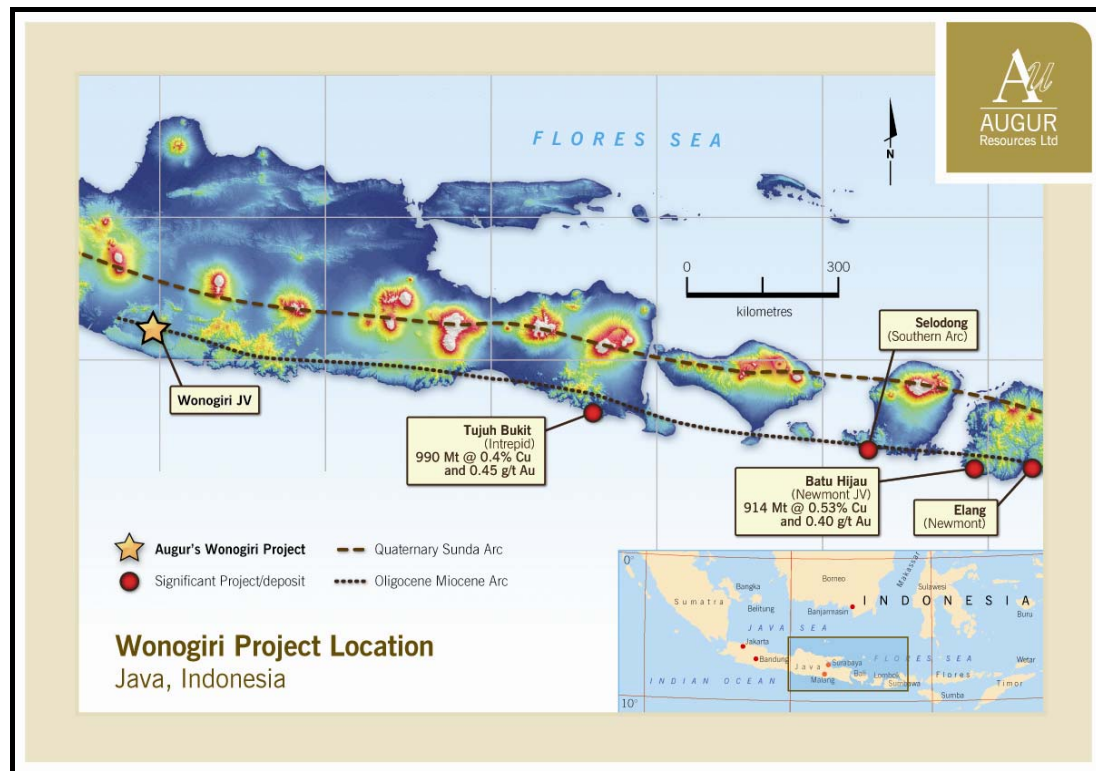
Data from local geology and recent drilling indicates that the mineralisation at Randu Kuning is related to a near vertical gold-copper porphyry within a large eroded volcanic centre, possibly related to a northward migrating Oligocene to Miocene volcanic arc. A number of significant porphyry deposits (+/- associated epithermal mineralisation) sit along this zone including Newmont Mining Corporation's operation at Batu Hijau (914Mt at 0.53% Cu and 0.40 g/t gold), Newmont's Elang deposit on the island of Sumbawa and Intrepid Mines Tujuh Bukit (990Mt at 0.40% copper and 0.45 g/t gold) in eastern Java.

### **Current Program**

Two drill rigs are currently active at the Randu Kuning project. Drilling is currently focused on the northern portion of the deposit testing an area approximately 200 metres north of the previous drilling. A drill hole has also commenced to test down dip of mineralisation intersected in hole WDD015.

Deep drill hole targets are being finalised based on the most recent geological model. These holes will target both depth extents and zones interpreted to have potential for high grade mineralisation.

Preliminary metallurgical testing has commenced on the porphyry mineralisation at Randu Kuning.



*Wonogiri project location and major porphyry deposits on the Oligocene-Miocene Arc. Image shows topography with white indicating highest elevations and dark blue showing areas of near sea level elevations.*

## Drilling Results

Hole	Prospect	Easting	Northing	Dip	Azimuth (Mag)	From	To	Interval (m)	Gold g/t	Copper %
WDD017	Randu Kuning	486138	9138315	45	90	159.5	214.5	55.0	0.41	0.16
WDD018	Randu Kuning	486112	9138221	60	90	73.0	209.0	136.0	0.48	0.14
		and				278.0	384.5	106.5	0.64	0.10

*Results are shown using a cut-off of 0.2 g/t gold or 0.2% copper. All depths are reported as drilled depths. Insufficient data is currently available to determine the true width of the intersections in WDD017 and the lower interval in WDD018. The apparent true width interval of the upper zone in WDD018 is estimated at 131.7 metres. Previous drilling data has been released to the ASX (see release dated 7 October 2011).*

## **Wonogiri Project**

The Wonogiri project is located approximately 30 kilometres to the south of the provincial city of Solo in central Java and is easily accessible by daily flights from the capital Jakarta and a short one hour drive by car on a sealed road.

The project lies within the Sunda-Banda arc and covers an area of 3,928 hectares. The area is considered prospective for epithermal gold and porphyry copper-gold mineralisation.

Previous exploration completed by PT Oxindo from 2009 to 2010 targeted copper porphyry mineralisation within the northern portion of the licence. PT Oxindo undertook detailed mapping, soil sampling and geophysical work which culminated in a five hole diamond drill program to test a number of modelled magnetic high bodies. Drilling highlighted potential gold-copper porphyry mineralisation in the Randu Kuning prospect. Surface rock chip sampling and geological mapping highlighted the potential for epithermal gold mineralisation proximal to the Randu Kuning prospect.

Augur has commenced a significant exploration to determine the extent of the gold and copper mineralisation within the Wonogiri licence areas. This exploration includes an extensive drill program that to date has returned significant results in numerous holes including 123.5 metres at 1.42 g/t gold and 0.22% copper and a further 65.0 metres at 1.03 g/t gold and 0.17% copper in hole WDD010, 222.0 metres at 0.95 g/t gold and 0.20% copper in hole WDD008 and 182.0 metres at 0.75 g/t gold and 0.17% copper in WDD015.

Augur has an agreement to earn a 51% interest of the project after the expenditure of US\$1.5 million within 12 months from 9 December 2010 and can earn an 80% interest in the project with the expenditure of a further US\$2.0 million with 24 months of 9 December 2010. No upfront payment or issue of shares was required.

PT Oxindo is a subsidiary of the Minerals and Metals Group which owns and operates a portfolio of world class base metal mining operations, development projects and exploration fields.



*Location map of Augur's Indonesian projects.*

## Statement of Compliance

The information in this report that relates to Exploration Results is based on information compiled by Augur staff and contractors and approved by Mr Grant Kensington, geoscientist, who is a Member of the Australasian Institute of Mining and Metallurgy. Grant Kensington is a full-time employee of the Company who has sufficient experience which is relevant to the style of mineralisation and type of deposit 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'. Grant Kensington has consented to the inclusion in this report of the matters based on his information in the form and context in which they appear.

Mineralisation cut-off used is 0.2 g/t gold and/or 0.2% copper with a maximum contiguous dilution interval of 4.0 metres. Sample intervals are generally either 0.5 metres or 1.0 metre. Assaying has been completed by PT Intertek Utama Services, a subsidiary of Intertek Group Inc. Blanks and/or independent standards are used in each sample batch at approximately 10.0 metre intervals.

For further information, please contact Grant Kensington on +61 2 9300 3310.

Yours sincerely

Grant Kensington  
Managing Director

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