

9 August 2012

The Manager Companies  
ASX Limited  
20 Bridge Street  
SYDNEY NSW 2000

(3 pages by email)

Dear Madam,

### **Direct Ownership of Wonogiri Licence**

- **Augur completes the process for direct majority ownership of the Wonogiri licence.**

The Directors of Augur Resources Ltd ('Augur') are pleased to advise that official approval has been received confirming the conversion of PT Alexis Perdana Mineral, the holder of the Wonogiri licence, to an official foreign owned company (locally known in Indonesia as a 'Penanaman Modal Asing' or 'PMA').

Augur's wholly owned subsidiary, Wonogiri Pty Ltd, is now the registered holder of 90% of PT Alexis Perdana Mineral, thereby ensuring that Augur's ownership of its interest in the Wonogiri licence is secure. Augur's 90% registered interest in PT Alexis Perdana Mineral represents a 51% beneficial ownership which will be increased to 80% by the expenditure of approximately a further US\$150,000 on exploration and development by December 2012 with the remaining 10% interest held on behalf of PT Oxindo, a subsidiary of the Minerals and Metals Group, Augur's joint venture partner.

The conversion of PT Alexis Perdana Mineral to PMA status could only be achieved by the continued support and goodwill of our Indonesian joint venture partners. Augur appreciates the efforts of our partners in achieving this milestone.

As previously advised, the Wonogiri licence area contains the Randu Kuning gold-copper deposit which has a combined JORC Measured, Indicated and Inferred Resource estimate containing approximately **1.54 million gold equivalent ounces**.

Metallurgical testing has shown excellent recoveries of gold and copper from the Randu Kuning mineralisation where recently results confirm the excellent recoveries by floatation with up to **89.0% recovery of gold and 93.4% recovery of copper** from the Randu Kuning porphyry deposit. Concentrates of up to **90.6 g/t gold and 21.2% copper** have been achieved during initial concentrate optimisation studies.

## JORC RESOURCE SUMMARY

JORC Resource Category	Resource (Mt)	AuEq (g/t)	Gold Grade (g/t)	Copper Grade (%)	AuEq (MOz)	Gold (MOz)	Copper (Million Pounds)	Cut-off Grade (AuEq g/t) <sup>1</sup>
Measured	28.3	0.84	0.56	0.15	0.765	0.513	132.7	0.2
Indicated	5.3	0.66	0.45	0.11	0.113	0.078	42.8	0.2
Measured and Indicated	33.7	0.81	0.55	0.15	0.878	0.591	175.4	0.2
Inferred	57.1	0.36	0.23	0.07	0.660	0.423	22.9	0.2
<b>TOTAL</b>	<b>90.9</b>	<b>0.53</b>	<b>0.35</b>	<b>0.10</b>	<b>1.538</b>	<b>1.014</b>	<b>199.6</b>	<b>0.2</b>

## ABOUT AUGUR

Augur is an Australian based exploration and development company with a focus on the advanced gold and copper Wonogiri project in central Java, Indonesia. The Wonogiri project is located approximately 30 kilometres to the south of the provincial city of Solo and is easily accessible by daily flights from the capital Jakarta and a short one hour drive by car on sealed roads.

Augur has earned 51% stake in the Wonogiri project and under the earn-in agreement can increase its ownership to 80%.

Augur has identified a significant gold and copper resource at the Randu Kuning prospect in the northern portion of the Wonogiri licence area. Mineralisation is porphyry style with associated late epithermal veins. Mineralisation occurs from surface and remains open at depth, to the north and to the west.

Augur is currently undertaking a prefeasibility study of the Randu Kuning deposit.

The surface area above the Randu Kuning deposit has no forestry access restrictions.

A number of additional targets have been identified at Wonogiri. Initial drill testing has been undertaken with zones of anomalous gold identified in three prospects.

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

Yours sincerely



Grant Kensington  
Managing Director

pjn6828

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.

### **1 Gold Equivalent Calculation**

Gold Equivalent results are calculated using a gold price of \$1,198/oz and a copper price of \$6,945/tonne. Silver is excluded from the gold equivalent calculation as no metallurgical testing of the recovery properties of silver from this project has occurred. In calculating Gold Equivalents for the drill results in the table above, gold and copper recoveries are assumed to be 100%. As previously reported metallurgical testing has resulted in mean recoveries from sulphide material of over 82.5% for gold and 94% for copper. It is the Company's opinion that all metals used in the equivalent calculation have a reasonable potential to be recovered in the event that material from the Wonogiri project was to undergo processing.

The Gold Equivalent calculation used is  $AuEq (g/t) = Au (g/t) + ((Cu(\%)*6945)/38.51)$

ie: 1.0% Cu = 1.80 g/t Au