AUGUR
Resources Ltd
ABN 79 106 879 690

28 October 2015

The Manager Companies
ASX Limited
20 Bridge Street
Sydney NSW 2000

(19 pages by email)

REPORT ON ACTIVITIES FOR THE QUARTER ENDED 30 SEPTEMBER 2015
(ASX: AUK)

HIGHLIGHTS

- Wonogiri metallurgical testwork returns increased gold and silver recoveries at a coarser grind size:
  - 43.7%recovery of gold by gravity; and
  - 88.3% gold and 77.4% silver recovery by gravity + cyanide leaching of gravity tailings.
- Ongoing Wonogiri metallurgical testwork commenced on ore composite to determine gold only recoveries by gravity and intensive leaching of the concentrate and tailings.
- Evaluation of several production scenarios for a stand-alone aggregate quarry within the Wonogiri IUP area.
- Completed initial drilling of copper and gold targets within the Toluludu and Tapadaa IUP properties in Gorontalo.
- Initial Homeville project counter-current atmospheric leach testwork returned excellent overall recoveries of 90% nickel and 96% cobalt with a low overall acid consumption of 710 kg/tonne of ore.
- Homeville project scoping study for a 3,000 - 5,000 tonnes per annum nickel equivalent plant producing a mixed cobalt-nickel sulphide precipitation or cathode product.
- The Homeville project's excellent recoveries, grade, low strip ratio and location set the foundation for the project's future.

PROJECTS

Augur Resources Ltd ('Augur' or the 'Company') is a resource development company, with a focus in Indonesia with the advanced Wonogiri gold and copper project in Central Java and the exploration properties in Gorontalo, North Sulawesi. Augur also has interests in exploration projects in central New South Wales, including Collerina which includes the Homeville nickel-cobalt deposit.

INDONESIAN PROJECTS

Wonogiri Project (Augur - 45%)

Wonogiri Metallurgical Studies

Ongoing metallurgical testwork at the Wonogiri project suggests that a coarser grind size (minus 75 micron to minus 106 micron) could result in improved gold recovery to that previously reported for the minus 53 micron grind. If so, this would reduce grinding time and lower operating costs.

Processing of single composite sample ground to minus 75 micron indicates that 43.7 % gold recovery can be achieved via gravity concentration using a Falcon concentrator and when combined with intensive cyanide leaching of the gravity tailings a total of 88.3% gold recovery is possible. Additional testing is in progress on 4 bulk grinds to confirm gold recoveries via gravity concentration and intensive cyanide leaching of both concentrates and tailing.

Grind Size P_{80} (µm)	Product	Overall Recovery		
		Au (%)	Ag (%)	Cu (%)
75	Grav. Con	43.7	8.4	3.1
	Leached Gravity Tail	44.6	66.0	16.9
	Total	**88.3**	**77.4**	**20.0**

Total gold recovery for Falcon concentrator and intensive cyanide leaching of gravity tailings on core composite BB02831.

Based on metallurgical results to date the option of a gravity and intensive leach of gravity concentrate and tailings flowsheet appears to be technically viable with very good leaching characteristics for little preg-robbing minerals reporting to the gravity (Falcon) concentrate.

Several processing flow-sheet scenarios are being evaluated including gravity concentrations followed by intensive cyanidation to treat the gravity concentrate. The loaded solution produced from the leach reactor would then be fed to a conventional electro-winning cell bank before being conventionally smelted to produce gold doré bullion. Leaching of the more voluminous gravity tailings would require a larger carbon-in-leach (CIL) circuit.

Aggregate Evaluation

General ASTM standard rock quality tests of potential aggregate in the area selected for development of a standalone quarry were completed at PT Geoservices laboratory in Bekasi, West Java. Testwork was completed on six bulk rock samples made from drill core composite samples collected from three holes drilled within the proposed quarry area. The results, detailed below, indicate that the rock has the properties required to be highly suitable for a variety of stone aggregate uses including concrete.

Rock Characterization & Physical Properties	ASTM NO	BB. 028317 DDH 35 <50m	BB. 028318 DDH 35 >50m	BB. 028319 DDH 39 <50m	BB. 028320 DDH 39 >50m	BB. 028321 DDH 43 <50m	BB.028322 DDH 43 >50m
		Fine-grained, Intrusive, Fresh	Fine-grained, Intrusive, Fresh	Fine-grained, Intrusive, Fresh	Fine-grained, Intrusive, Fresh	Fine-grained, Intrusive, Fresh	Fine-grained, Intrusive, Fresh
Natural Density/m3	ASTM D7263-09	2.8	2.8	2.8	2.8	2.8	2.7
Porosity%	ASTM D7263-09	1.1	0.7	0.7	1.0	1.6	1.1
Water Absorption%	ASTM D7263-09	0.4	0.2	0.2	0.3	0.6	0.4
Bulk Density	ASTM - C127 - 12	2.8	2.8	2.8	2.8	2.7	2.7
Bulk' Absorption	ASTM - C127 - 12	0.3	1.2	0.3	0.3	0.5	0.4
Point Load Test mpa UCS	ASTM D5731 - 08	136	162	120	126	80	146
Five Cycle Soundness Sodium Sulfate%	ASTM C88 - 13	0.89	1.07	1.63	1.05	5.70	1.26
Organic Impurities in Fine Aggregate for Concrete	ASTM C40/C40M - 11	Colour No.1 (Clear)	Colour No.1 (Clear)	Colour No. 1 (Clear)	Colour No. 1 (Clear)	Colour No. 1 (Clear)	Colour No. 1 (Clear)
Los Angelas Abrasion % 100 Rotation	ASTM C131 - 06	3.81	3.70	3.78	3.67	5.0	3.87
Los Angelas Abrasion % 500 Rotation	ASTM C131 - 06	21.98	21.25	22.32	19.27	28.86	21.19
Water Soluble Chloride Content%	ASTM D512 - 12	0.0508	0.0453	0.0406	0.0334	0.0148	0.0315
Water Soluble Sulfate Content%	ASTM D516 - 11	0.004	0.006	0.010	0.012	0.016	0.014
Sulfate Content (mg/kg)	ICP	1.29	0.66	1.33	0.96	3.16	2.06
Loss on Ignition at 900 C (%)	1000 *C furnace	2.77	1.71	2.47	2.16	4.45	4.14
Potential Alkali Reactivity	ASTM C289	None	None	None	None	None	None
Potential End Use Based on Test Results		**Aggregate**	**Aggregate**	**Aggregate**	**Aggregate**	**Aggregate**	**Aggregate**

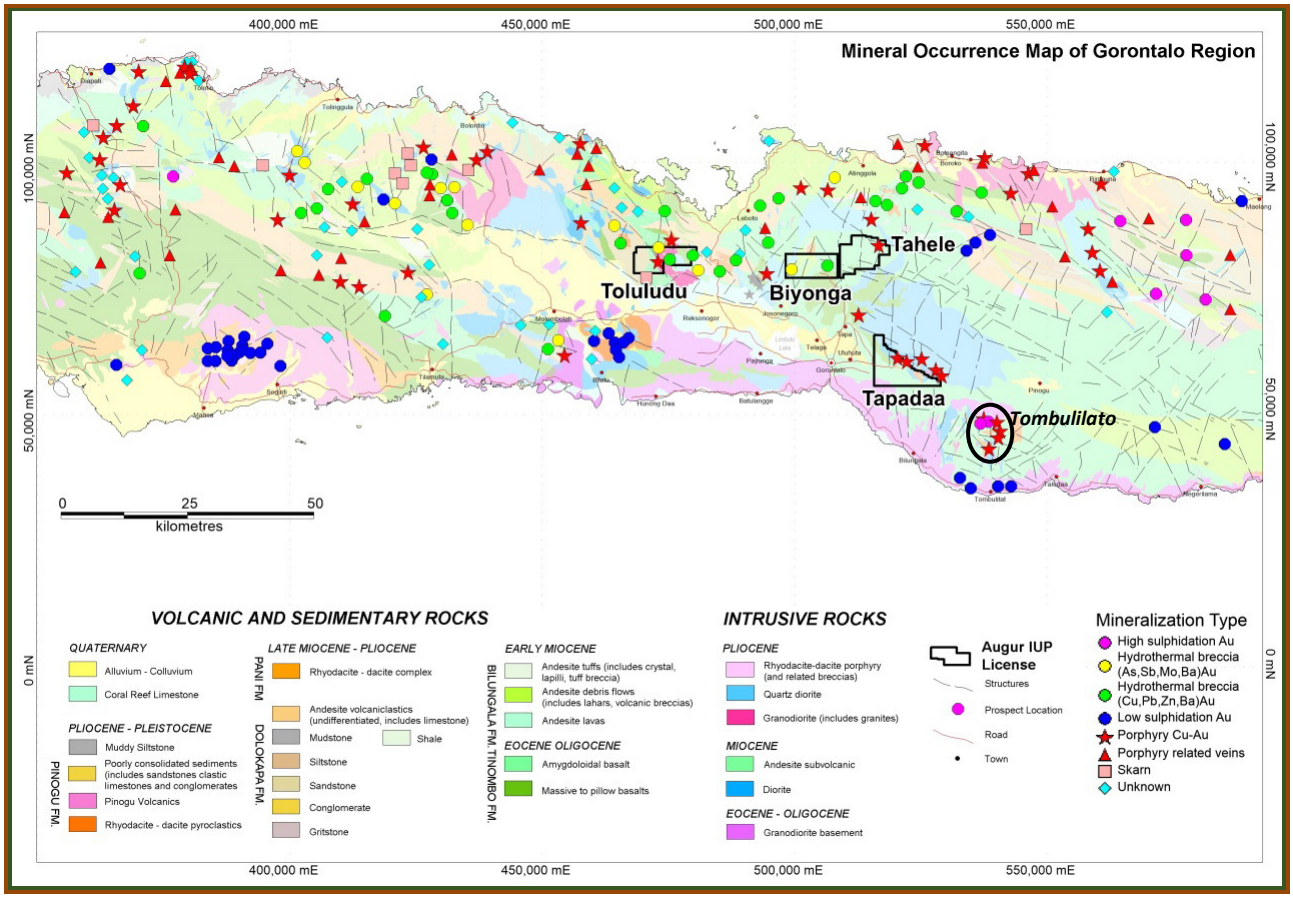
ASTM standard test work completed (Pt. Geoservices)

It is clear from the earlier market study and related discussions with industry consultants that there is strong demand for high quality aggregate throughout Java to supply ongoing and planned infrastructure projects as part of an extensive transportation upgrade initiative by the Indonesian Government.

The Company is currently evaluating several aggregate production scenarios with interested contractors whom would provide quarry development and production management services.

Gorontalo Properties (Augur - 80%)

The Company has completed initial drilling, comprising six holes for 781 metres, on defined copper and gold targets within the Toluludu and Tapadaa IUP properties.



Geologic map of the Gorontalo region showing Augur's IUP property locations and also locations of known mineral occurrences. The Tombulilato porphyry copper-gold deposit area currently in feasibility is also shown.

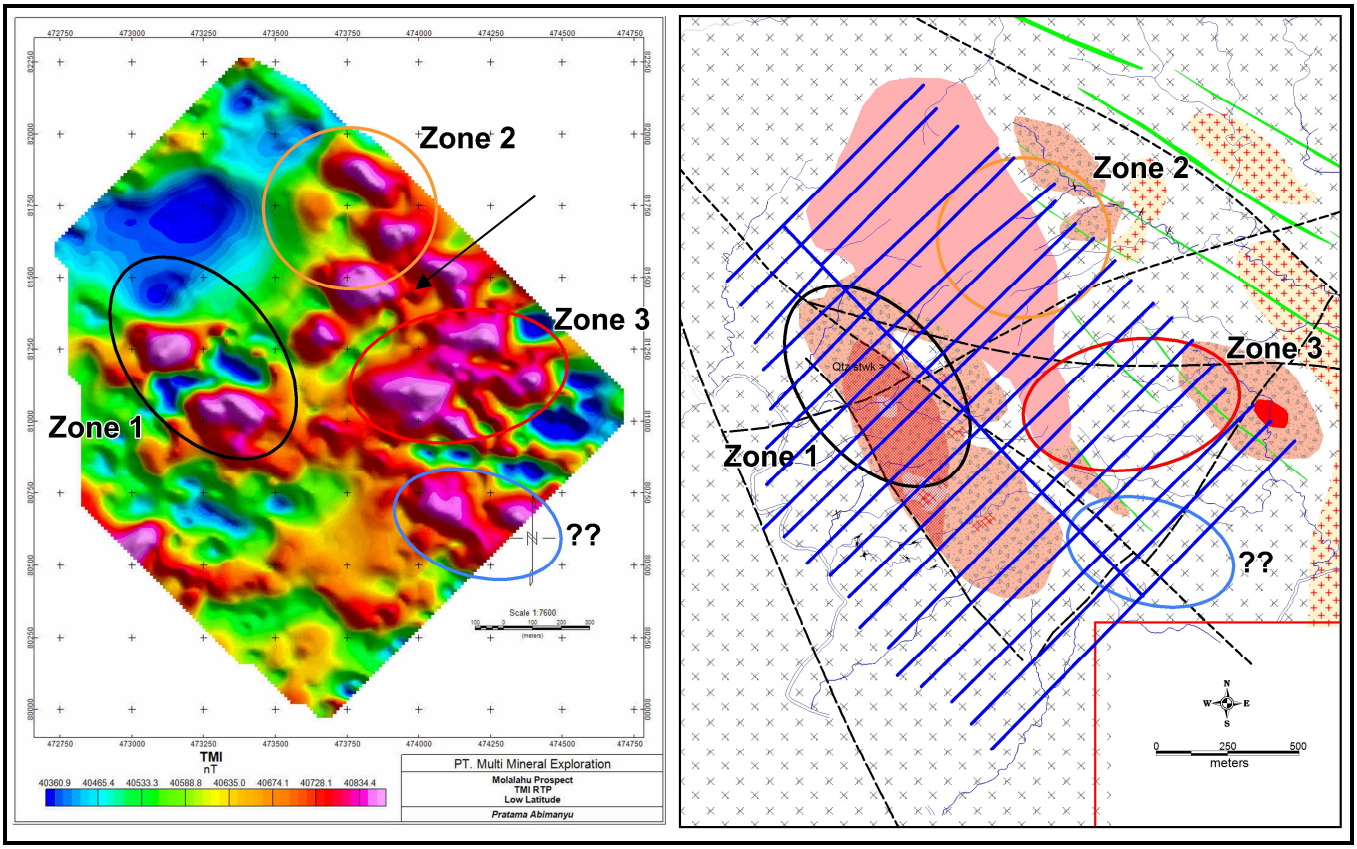
Drilling results are as follows:

Hole	Prospect	Easting	Northing	Dip	Azimuth (Mag)	From	To	Interval (m)	Gold g/t	Copper%
TLL15001	Toluludu	473482	81114	-50	225	**Hole abandoned at 46 metres. No significant results.**				
TLL15002	Toluludu	473492	81121	-50	225	**Hole abandoned at 109 metres. No significant results.**				
TLL15003	Toluludu	473626	81326	-55	45	12.0	72.0	**60.0**	**-**	**0.22**
	includes					12.0	24.0	**12.0**	**0.12**	**0.34**
TLL15004	Toluludu	480291	81878	-45	90	**No significant results.**				
ITP15001	Tapadaa	519169	60377	-50	320	3.0	22.0	**19.0**	**0.37**	**0.22**
	includes					3.0	6.0	**3.0**	**1.10**	**-**
ITP15002	Tapadaa	518985	60324	-50	145	0.0	22.0	**22.0**	**0.61**	**-**

Toluludu IUP Property

Three holes were completed to test porphyry-related copper-molybdenum targets defined by coincident high magnetic geophysical targets and visible copper-molybdenum in surface rock samples and noted as Zone 1 in the figure below.

The first drill hole (TLL15001) was abandoned at 46 metres due to extreme difficulty drilling through an interpreted fault zone. No samples were assayed due to the very poor core recovery.

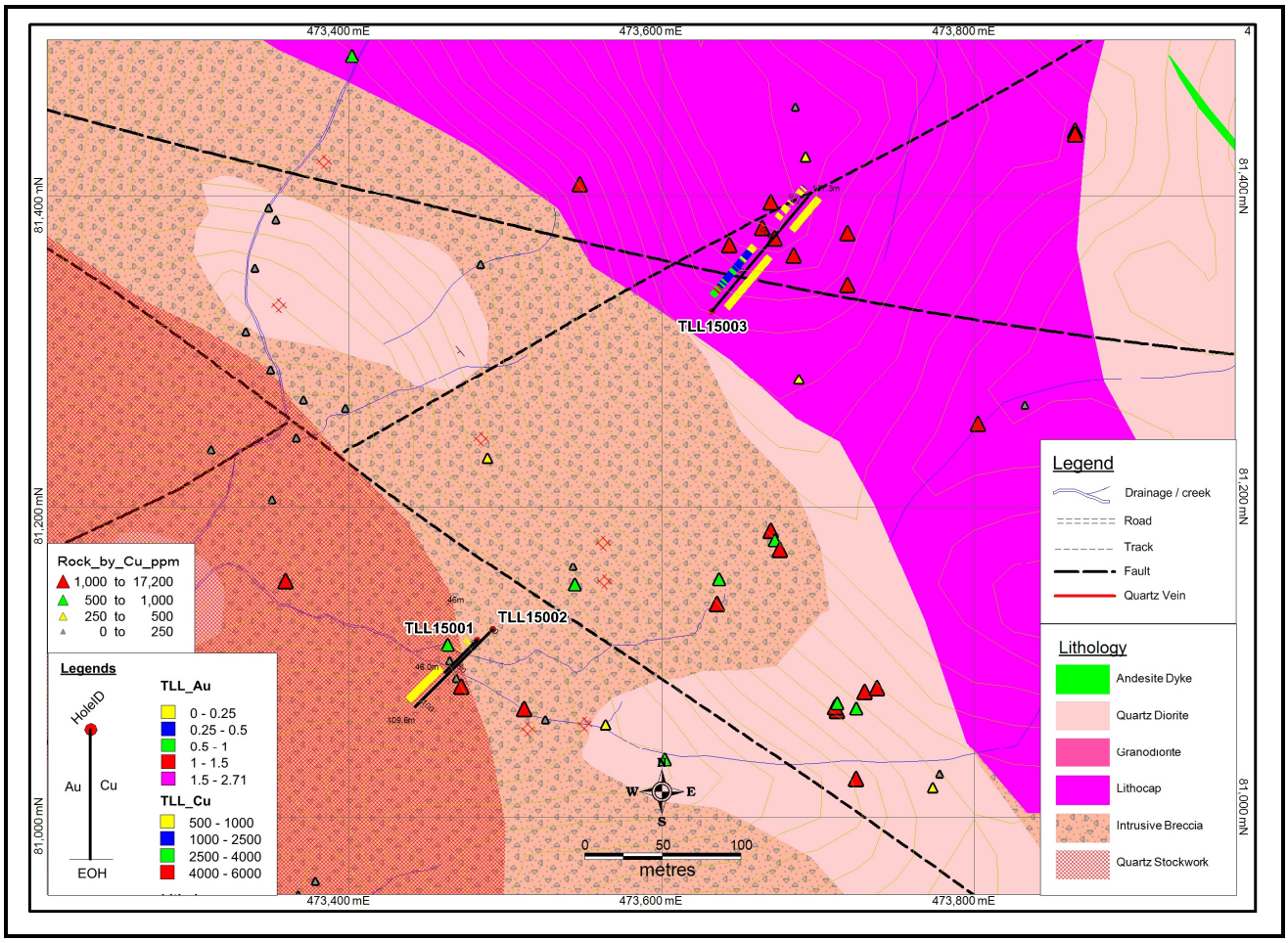


Reduced to Pole - magnetic map for Molalahu Prospect (left) and showing areas of interest as defined by surface geological mapping (right).

A second hole (TLL15002) was attempted and was terminated at 109 metres due to similar drilling problems. And although the target depth to effectively test the high magnetic anomaly was 200 metres, the core recovered confirms the presence of quartz – magnetite veins containing minor molybdenite ± chalcopyrite. The veins are hosted within an altered andesite containing abundant secondary biotite and magnetite as an early phase of alteration and mineralisation. A latter alteration event manifest as pervasive silicification overprinted the andesite and resulted in abundant pyrite and very minor additional molybdenite within fractures. Assay results from sulphide bearing zones indicate the presence of low grade copper (<0.1% Cu) and molybdenum mineralisation. No further drilling is currently planned for this target.

The third drill hole (TLL15003) at Toluludu was located approximately 600 metres north of holes TLL155001 and TLL55002. The hole was drilled to test beneath an area of extensive secondary copper in soil and rocks sampled on surface. The hole was drilled to a length of 167 meters and intersected 60 meters of 0.22% copper from 12 to 72 metres, including 12 metres of 0.34% copper and 0.12 g/t gold from 12 to 24 metres. Abundant secondary magnetite occurs from 120 metres to the end of the hole at 167 meters. The magnetite is associated with secondary biotite and interpreted to be part of an early potassic alteration stage. The hole ended in 0.13% copper within a potassic altered breccia.

The drill results indicate the potential for secondary copper sulphides (chalcocite, covellite) near surface and primary sulphides (chalcopyrite) associated with deeper potassic alteration and further drilling is warranted.



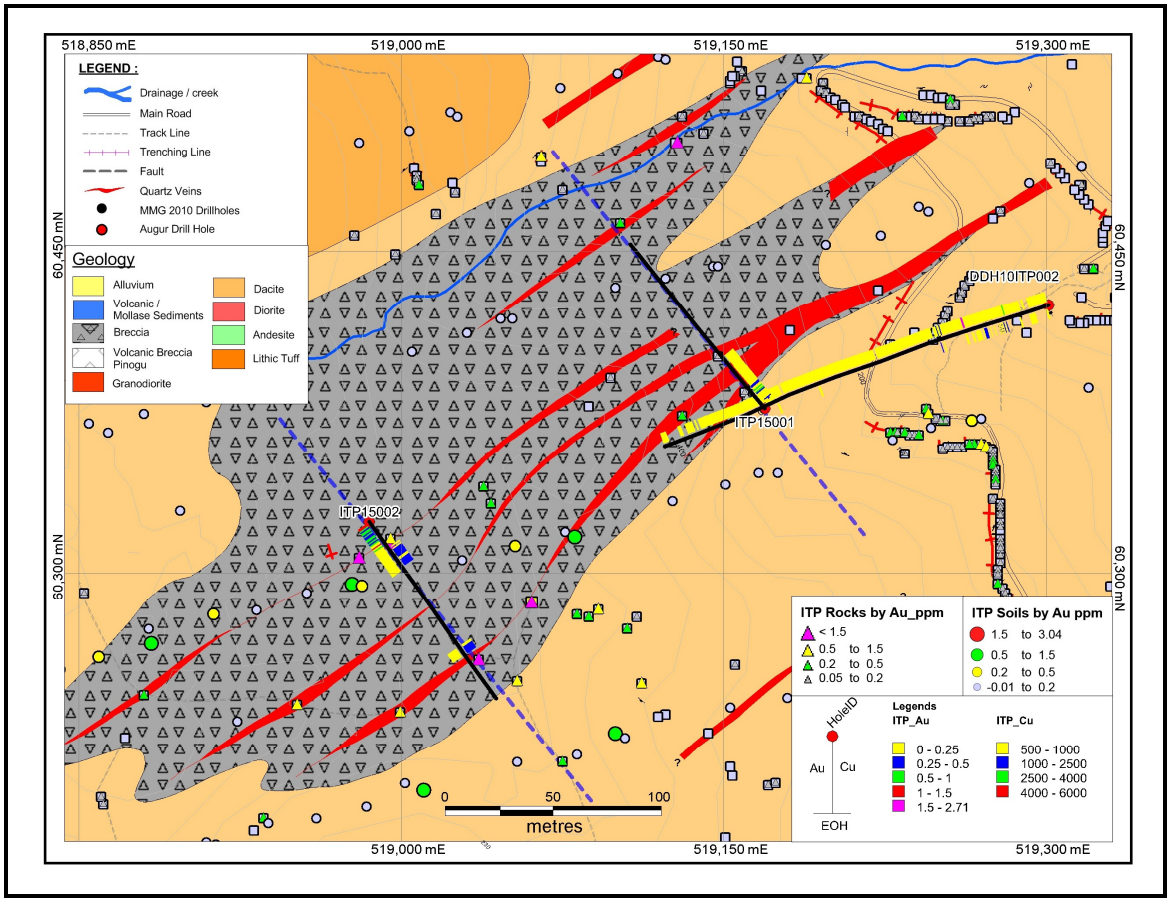
Toluludu prospect drill locations with copper and gold surface rock samples and assay results shown.

At the Toluludu East (Durian) prospect area a single hole was drilled to test exposed high grade gold + base metal veins. Mapping had identified narrow (<1 metre) structurally-controlled quartz-sulphide veins with rock-chip samples returning up to 8.69 g/t Au, 370 g/t Ag, 4.4% Cu and 0.73% Zn. Hole TLL15004 was drilled beneath one of the veins to a depth of 131 meters, however, no veins of similar grade or thickness were intersected and until new data becomes available no further drilling is warranted.

Tapadaa IUP Property

Two drill holes (ITP15001/002) were completed to test quartz vein system in area of anomalous gold in surface samples. Identified as the Lombongo prospect the objective was to test an area of anomalous gold in surface soil and rock samples associated with exposed vuggy silica ledges and high sulphidation type alteration.

Previous detailed mapping and soil and rock sampling by the Company returned up to 3.0 g/t gold from oxidized vein material at surface and previous drilling by PT. Oxindo Exploration (MMG) to test high magnetic anomalies as part of a porphyry copper-gold exploration strategy did not test the breccia, however one of their holes drilled south of the veins returned 2.0 metres of 1.74 g/t gold from 83 metres downhole.



Lombongo prospect geological map. Drill hole locations and downhole assay results are indicated. The location of surface rock samples and the extent of quartz veins/breccia are shown.

Drill hole ITP15001 was drilled to 161.2 metres depth and intersected 19 metres of 0.37 g/t gold from 3.0 to 22.0 metres, including 3.0 metres of 1.1 g/t gold from 3.0 metres. ITP15002 was drilled to 166 metres depth and intersected 22.0 metres of 0.61 g/t gold over 22.0 metres from surface within oxidized volcanics. Intensely argillic altered, pyritic volcanics were intersected to bottom of both holes.

Future Gorontalo Exploration Work

The results of the completed Gorontalo drill program at Toluludu and Tapadaa indicate that additional drilling is warranted within both IUP areas.

At the Molalahu prospect area within the Toluludu property, additional drilling is required to further assess the copper resource potential in the area of TLL15003. This includes both the potential for near surface, secondary copper sulphides (chalcocite, covellite) and deeper, primary copper sulphide (chalcopyrite) at depth.

At Tapadaa, the potential for a near surface, leachable oxide gold resource has been identified and additional drilling is required within the Lombongo prospect area and also in other areas of similar advanced argillic alteration having anomalous gold in surface samples. The Company has also initiated bottle roll leach tests on a composite sample of oxide material taken from both Lombongo drill holes to determine if oxide material is amenable to standard cyanide leach processing.

AUSTRALIAN PROJECTS

The central and western region of NSW hosts a number of world class deposits including the Cadia, Ridgeway and Northparkes deposits. At the Collerina project Augur has defined a JORC compliant resource estimate for the Homeville nickel-cobalt deposit of 16.3 Mt at 0.93% nickel and 0.05% cobalt comprised of 4.4 Mt of Indicated Resource at 0.99% nickel and 0.06% cobalt and 11.9 Mt of Inferred Resource at 0.91% nickel and 0.05% cobalt of (using a 0.7% nickel cut-off)[1].

Homeville (Augur - 100% subject to farm-out agreement)

Scoping Study

Augur commissioned Boyd Willis Hydromet Consulting ('BWHC') and Canopean Pty Ltd to undertake a scoping study for a 5,000 tonnes per annum nickel plant producing a mixed nickel-cobalt sulphide precipitate ('MSP') (59% nickel content) or alternatively a nickel metal product (cathodes) by the CMN process (a direct solvent extraction process named for its ability to process liquors rich in cobalt, manganese and nickel) based on the following criteria:

Design parameters	Design basis
Location	Collerina tenement (EL6336)
Ore (dtpa)	500,000
Source (ore)	Homeville deposit
Nickel grade (% using a 1% Ni cut off)	1.18
Cobalt grade(% using a 1% Ni cut off)	0.045
Iron grade(% using a 1% Ni cut off)	18

Three project configurations being evaluated are as follows:

- A process plant using imported sulphuric acid and producing a nickel-cobalt mixed sulphide precipitate (MSP) product.
- A process plant using imported sulphuric acid and employing CMN direct solvent extraction technology to produce LME grade nickel metal and high purity cobalt and copper by-products.
- A process plant with an integrated sulphuric acid plant and employing CMN direct solvent extraction technology to produce LME grade nickel metal and high purity cobalt and copper by-products.

Process Assumptions and Design Criteria

Previous bench-scale metallurgical testwork demonstrated that a counter-current atmospheric leach ('CCAL') process maximises nickel and cobalt extractions (90% and 96% respectively) with the most efficient use of sulphuric acid. The CCAL testwork was conducted on a blend of limonite and saprolite ores, representing a likely leach feed blend of the relative abundance of the two ore types at Homeville.

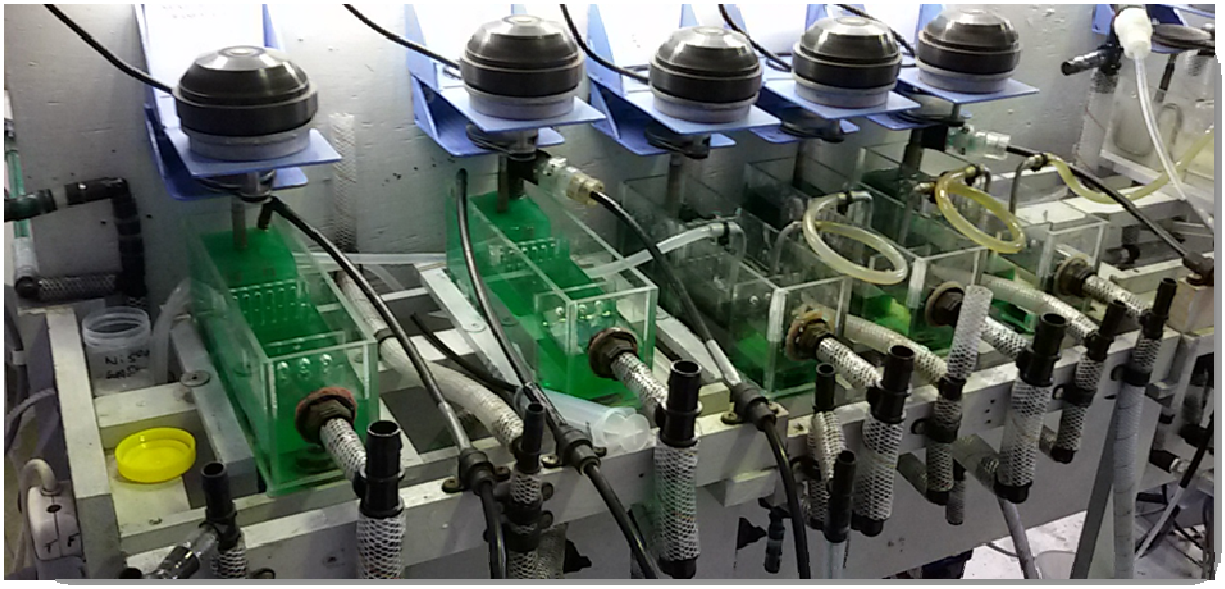
The scoping study design criteria detailed below has been derived from these testwork results, Metsim metallurgical design software and from BWHC's in-house knowledge of relevant flowsheet steps and returned an overall leach extraction of 90% nickel and 96% cobalt.

Design Criteria

Item	Design criteria
Leach Stage 1 (CCAL-1)	
Ore feed slurry solids content	40% w/w
Residence time	6 hours
Temperature	95°C
Nickel extraction	41%
Cobalt extraction	68%
Fresh acid addition	170 kg/t ore
Terminal free acid	5 g/L
Inter-stage thickener U/F density	40% w/w
Leach Stage 2 (CCAL-2)	
Feed solids	Thickened CCAL-1 Residue (40% w/w solids)
Residence time	6 hours
Temperature	105°C
Nickel extraction	83 %
Cobalt extraction	86 %
Fresh acid addition	550 kg/t ore
Terminal free acid	45 g/L
Inter-stage thickener U/F density	40% w/w
Overall Leach Extraction	
Nickel	90%
Cobalt	96%

Process Plant

The study has been based on treating 500,000 dtpa of high grade saprolite/laterite ores (1% nickel cut off grade), with an initial project life of approximately 10 years. It is anticipated that lower grade material would be processed after year 10. Further metallurgical processes for the low grade ore are being investigated.



Bench scale CMN process for direct solvent extraction.

Work on the Homeville scoping study will continue into the last quarter of 2015 including options for the supply of sulphuric acid (or plant), which is the main consumable for both process options.

Preliminary Process Description

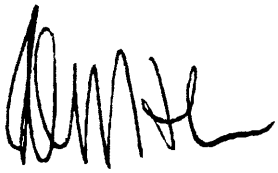
The proposed flowsheet for the 500,000 dtpa Homeville Nickel Project consists of:

- Crushing
- Scrubbing
- Grinding
- 2-stage acid leaching
- Recycle leach
- Leach residue filtration
- Partial neutralisation
- Two stages of iron/aluminium precipitation
- Iron residue filtration
- Final neutralisation
- Solvent extraction
- Electrowinning

To produce a high purity nickel metal product and a high purity cobalt carbonate and copper sulphate as value by-products.

For further information, please contact Peter Nightingale on +61 2 9300 3310.

Yours sincerely



Peter J. Nightingale

Director

pjn8243

Statement of Compliance

Information that relates to Exploration Results of the Wonogiri project and Gorontalo properties was previously reported to the ASX on 29 October 2014 and is available to view on the Company's website at www.augur.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information or supporting documentation included in the original market announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Information regarding Mineral Resources was prepared and first disclosed under the 2004 Edition of the 'Australasian Code for Reporting of 'Exploration Results, Mineral Resources and Ore Reserves'. It has not been updated since to comply with the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' on the basis that the Company is not aware of any new information or data that materially affects the information and, in the case of the resource estimate, all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed.

The information in this report that relates to the Mineral Resources is based on information compiled by Augur staff and contractors and approved by Michael Corey PGeo., who is a Member of the Association of Professional Geoscientists of Ontario (APGO) in Canada. Michael Corey is a full-time employee of Augur and 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'. Michael Corey 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] Nickel Equivalent Calculation

Where reported, Nickel Equivalent results are calculated using a nickel price of $9/lb and a cobalt price of $13/lb. In calculating Nickel Equivalents, nickel and cobalt recoveries are assumed to be 100%. 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 Homeville project was to undergo processing.

JORC Code, 2012 Edition – Table 1
Gorontalo Properties

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Diamond drill core from the Tapadaa and Toluludu IUP properties were logged by Augur geologists for major lithological units and alteration zones to determine sampling intervals. All sample intervals were marked by core blocks, entered into a ledger and assigned a unique sample number. After cutting and sampling detailed logging continued using standardised forms which were entered into the database and verified daily. Diamond drill core samples are collected from electric saw cut half core at generally 2.0 metre intervals. • At the Augur site office the core boxes were weighed and photographed (wet and dry), logged, and then marked-up for half-core cutting and sampling by trained technicians. All work was directly supervised by the MMG Project Geologist. • Samples were oven dried at 105ºC, weighed then jaw crushed to 95% <2mm. A 1.5 kg subsample was riffle spit for pulverising to 95%<200#. Two splits were taken from this product, one for analysis the other for QAQC. Samples were analysed for gold using method FA51, a lead collection fire assay using a 50g charge with an AAS finish. Base metals contents were estimated by method IC01, which used an aqua regia digest with ICP-OES finish.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Diamond drill including PQ, HQ and NQ core collection utilising standard triple-tube wire line equipment. Holes are surveyed at 50 or 100 metre intervals upon completion using a downhole camera.

Criteria	JORC Code explanation	Commentary
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Core was cut in half using an electric powered, water cooled diamond blade core cutter located at the site office. Core samples were cut carefully to minimise breakage and to prevent parts of the sample being washed away during cutting. Core intervals that were clay rich and broken or friable were not cut but representatively sampled by spatula and spoon. • Drilling supervisors were informed prior to start of hole where the depth of zones of interest were expected to be intersected in order to optimize drilling conditions. • Half core was bagged according to the sample specifications. PQ core was generally sampled in 0.5 metre lengths whilst HQ and NQ core was sampled at 2 metre lengths. In some cases this was reduced to 1 metre lengths if constrained by geological boundaries. • There is no significant relationship noted between recovery and grade.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Diamond drill core was logged by Augur geologists for lithological units and alteration zones and structural features to determine sampling intervals. All sample intervals were marked by core blocks, entered into a ledger and assigned a unique sample number. After cutting and sampling detailed logging continued using standardized forms which were entered into the database and verified daily. Core logging is both qualitative and quantitative. Core is logged descriptively and codes are used to describe alteration type/ intensity, quartz type and intensity as well as various percentages of minerals. Structural data including veins, shears, fractures are recorded relative to the core axis. • Core recovery and RQD were recorded by Augur in a Geotechnical log. Recoveries of less than 90% were (depending on the cause of reduced recovery) redrilled to obtain better recovery if necessary. At the site office the core boxes were weighed and photographed (wet and dry), logged, and then marked-up for half-core cutting and sampling by trained technicians. All work was directly supervised by the Augur Project Geologist.

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Selected core, based on lithology, alteration and visible mineralisation was cut in half using an electric powered, water cooled diamond blade core cutter located at the site office. Half core samples are collected at 1 or 2m intervals depending on lithology. • Blanks and/or independent standards are used in each sample batch at approximately each 10 sample interval. Standards were purchased from Ore Research & Exploration Pty Ltd [Bayswater North, Australia]. At the Intertek laboratory samples were oven dried at 105ºC, weighed then jaw crushed to 95% <2mm. A 1.5 kg subsample was riffle spit for pulverising to 95%<200#. Two splits were taken from this product, one for analysis the other for QAQC. Samples were analysed for gold using method FA51, a lead collection fire assay using a 50g charge with an AAS finish. Base metals contents were estimated by method IC01, which used an aqua regia digest with ICP-OES finish.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Assaying was completed by PT SGS Indo Assay Laboratories in Manado and Jakarta, a subsidiary of Pt. SGS Indonesia. (accredited for chemical testing under ISO/ICE 17025:2005). • A structured Quality-Assurance-Quality-Control program was implemented by Augur during all stages of exploration and drilling. The program consisted of regular submission of blanks and prepared standards and comparative sample runs with other laboratories. Standards were purchased from Ore Research & Exploration Pty Ltd [Bayswater North, Australia] • Assays falling outside of acceptable ranges are re-assayed. SGS also carry out routine internal quality control, and review of this data suggests there are no issues with either precision or accuracy. • Separate groups of mineralised sample pulps are sent on a routine basis to other accredited laboratories in Jakarta to test for laboratory scale systematic errors.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No independent evaluation of the exploration work was completed. • Given the exploratory nature of the drilling no twinned holes have been completed. • All field and laboratory data collected by Augur was entered into their Access Assay database with QA/QC templates included. No adjustments to the assay data has occurred.

Criteria	JORC Code explanation	Commentary
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drill collars were located by Augur geologists using a hand held GPS devices with accuracy of ± 5 metres. This was deemed sufficient given the reconnaissance nature of the drilling. • The mapping grid is WGS 84, Zone 49 South. Topographic control is by satellite imagery.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Core samples are generally taken over 2m intervals from selected zones of mineralisation and alteration. Drill holes were reconnaissance in nature testing specific targets and therefore widely spaced. Hole orientations varied depending on target dimensions. • No sample compositing was applied.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Holes completed by Augur were drilled to obtain general geological information from defined target areas. • No oriented drill holes were completed so reported widths are downhole or apparent widths and not true widths. • Based on current interpretation the reported widths are likely to be some degree wider than the true widths.
Sample security	• *The measures taken to ensure sample security.*	• Sample batches were packed into sealed and annotated rice sacks and transported by truck to SGS sample prep facility in Manado, Sulawesi. Prepared sample pulps were then shipped by SGS to the laboratory in Jakarta for analysis. SGS standard sample submission forms were cross-checked with Sample Receipt Confirmation notes issued by the Laboratory. Laboratory results were emailed to the head office in Jakarta.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• The sampling and assay database were audited and validated by Augur during internal QAQC processes.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Gorontalo Properties are licenced under the Indonesian National Izin Usaha Pertambangan or Mining Business Licence ('IUP') system. The Indonesian mining law stipulates 1 IUP per company. Accordingly each IUP is owned by a PMA company. As part of the JV with MMG, the shares in each PMA company are held 80% by Augur and 20% by MMG. subsidiary companies. There are no issues known to the Company that would be considered a hindrance or risk to planned exploration activities. • The IUPs are currently in the Exploration Stage and must be converted to an Exploitation licence in 2018. • There are forest access restrictions over the Toluludu, Biyonga and Tahele IUPs that in part are permitted. Additional permits need to be obtained to enter areas of Protected Forest. Currently there are no reasons known to the Company that would prevent the Company from obtaining the required permits.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Previous to Augur, the Gorontalo Properties were explored by MMG and BHP-Utah, Newcrest and Placer-Dome Indonesia. This work identified much of the mineralisation/alteration zones that are of interest to Augur. Only Tapadaa was previously drilled prior to MMG. MMG reviewed the previous exploration results and completed surface exploration work of sufficient extent to confirm the results reported by these companies.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Gorontalo properties exhibit geological characteristics suggestive of porphyry copper-gold and associated high/low sulphidation epithermal type mineralisation. North Sulawesi form part of a Miocene-Pliocene volcanic arc system which is considered prerequisite to the formation of the deposit types sought.

Criteria	JORC Code explanation	Commentary
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• MMG completed 6 diamond drill holes at the Tapadaa property for a total of 2,257 metres. The focus of this work was discovery of a copper-gold porphyry deposit. No evaluation of epithermal gold targets was completed. • Summaries of all drill holes with pertinent drill hole collar and compiled intersection information are indicated in this release.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• The intervals reported are downhole intervals and reported assays are averages for the interval and unless otherwise stated are not weighted averages. • Metal Equivalent values have not been used.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• No oriented drill holes have been completed so reported widths are downhole or apparent widths and not true widths. • Based on current interpretation the reported widths are likely to be some degree wider than the true widths.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Pertinent maps and sections are included. Previous exploration at Toluludu, Biyonga and Tahele was reconnaissance in scope and not of sufficient detail to define initial and or (in the case of Tapadaa) follow-up drill targets.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Reporting is fully representative of the data.

Criteria	JORC Code explanation	Commentary
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• All data is reported in Quarterly and Annual Report of Exploration Activities submitted to the Indonesian Government by Augur subsidiary PMA companies registered in Indonesia.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Proposed work will include further surface mapping/sampling and ground geophysics with the objective of defining additional drill targets by the end of 2015. The objective of this work will be to define sufficient resources for a scoping study.

(Sections 3 through 5 do not apply as resource and/or reserve estimates are not being reported at this time).