AUGUR Resources Ltd

ABN 79 106 879 690

Interim Financial Report

for the half-year ended 31 December 2013

Corporate Information

ABN 79 106 879 690

Directors
Norman A. Seckold - Chairman
Grant L. Kensington - Director
Peter J. Nightingale - Director
Justin C. Werner - Director

Company Secretary
Richard J. Edwards

Principal Place of Business and Registered Office
Level 2, 66 Hunter Street
Sydney NSW 2000
Australia

Auditors
KPMG
Level 16, Riparian Plaza
71 Eagle Street
Brisbane QLD 4000

Bankers
Westpac Bank
Market & Clarence Streets
Sydney NSW 2000

Solicitors
Minter Ellison
88 Phillip Street
Sydney NSW 2000

Share Registry
Computershare
117 Victoria Street
West End QLD 4101

Contents

Augur Resources Ltd and its controlled entities

Directors' Report

The Directors of Augur Resources Ltd ('Augur' or 'the Company') and its subsidiaries ('the Group') submit their report for the half-year ended 31 December 2013 and the review report thereon.

DIRECTORS

The names of the Directors of the Company in office during the half-year period and until the date of this report were:

Norman A. Seckold – Director since 30 November 2009
Grant L. Kensington – Director since 18 February 2008
Peter J. Nightingale – Director since 30 November 2009
Justin C. Werner – Director since 23 December 2010

RESULTS
The loss of the Group for the half-year after providing for income tax amounted to $1,841,442 (2012 - loss of $865,062).

The loss for the half-year ended 31 December 2013 was principally due to an impairment loss of $1,423,132 (2012 - nil) on the write-down of exploration and evaluation expenditure relating to the Yeoval project as discussed below.

REVIEW OF OPERATIONS

The Augur Group is a resource development group, with a focus on the Wonogiri gold and copper project in Indonesia. The Group also has interests in a number of exploration projects in central New South Wales.

The Wonogiri project is located in central Java. Detailed exploration has defined the Randu Kuning gold-copper porphyry deposit. The resource consists of 1.54 million ounces gold equivalent ('Moz AuEq') and remains open at depth and to the east and south. A number of additional advanced targets have also been identified at Wonogiri.

Subsequent to the end of the half-year exploration activities have recommenced at the Wonogiri project, with a drilling program anticipated to commence in March 2014.

In central New South Wales, Augur has reported JORC compliant resource estimates for the Yeoval and Homeville deposits.

Yeoval is a porphyry copper-gold-molybdenum-silver deposit with an Inferred Resource of 12.9 million tonnes ('Mt') at 0.38% copper, 0.14 g/t gold, 120.1ppm molybdenum and 2.2 g/t silver, using a 0.2% copper cut-off. The resource is open at depth and mineralisation has not been closed off, particularly to the east.

The Homeville deposit has an Inferred Resource of 16.3 Mt at 0.93% nickel and 0.05% cobalt. The deposit is very shallow and consists of a mineralised limonite clay horizon and a lower mineralised saprolite horizon.

Indonesia

Wonogiri Project

Augur holds an 80% economic interest in the Wonogiri project which is located in central Java.

Wonogiri is one of the latest major discoveries in the highly mineralised Indonesian archipelago. Between 2009 and 2012, modern exploration techniques have been applied to define a highly altered wall rock porphyry gold-copper deposit at Randu Kuning. In July 2012, Augur announced the maiden JORC compliant resource of 90.9 Mt at 0.53 g/t AuEq (0.35 g/t gold and 0.10% copper) using a cut-off of 0.2 g/t AuEq (see ASX release dated 10 July 2012). The mineralisation remains open with significant potential at depth and to the east and south. The resource estimate includes oxide, transition and sulphide components of the deposit. The sulphide component accounts for 95.7% of the estimated resource tonnes and this has been the focus of much of the ongoing metallurgical studies.

The Wonogiri project is supported by quality infrastructure, 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. The surrounding area has grid power, a large dam and numerous river and stream systems. Altitude of the Randu Kuning deposit is at approximately 200 metres above sea level.

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

Randu Kuning is only one of a number of gold and copper prospects at Wonogiri. Follow up of these other prospects is to be undertaken.

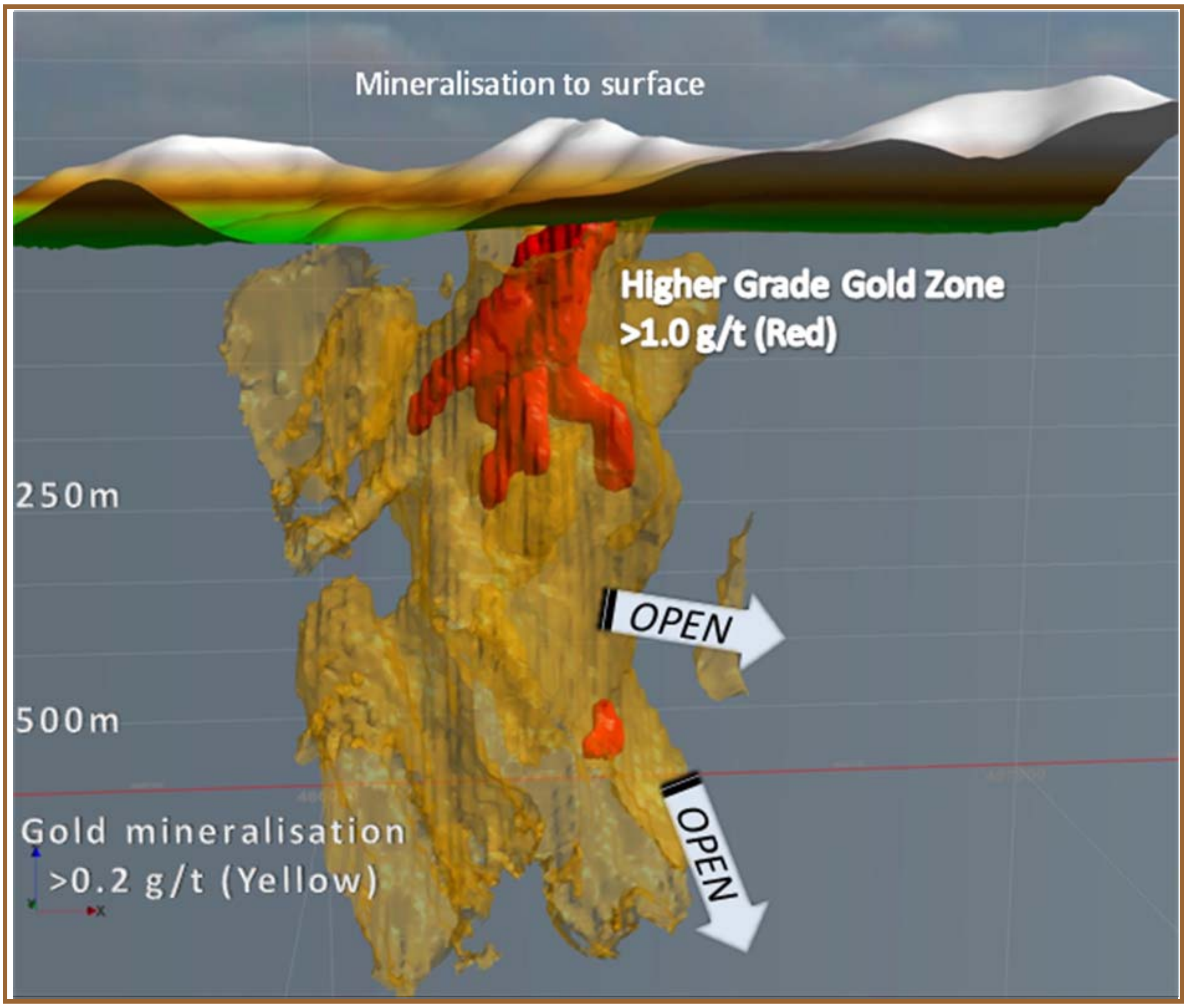
Details of the resource estimate for Randu Kuning are as follows:

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)[1]
Measured	8.3	1.45	1.07	0.21	0.389	0.287	39.4	1.0
	20.4	1.03	0.72	0.17	0.673	0.473	85.1	0.5
	28.3	**0.84**	**0.56**	**0.15**	**0.765**	**0.513**	**132.7**	**0.2**
Indicated	0.6	1.33	1.02	0.17	0.027	0.021	2.5	1.0
	3.5	0.81	0.59	0.12	0.092	0.067	17.5	0.5
	5.3	**0.66**	**0.45**	**0.11**	**0.113**	**0.078**	**42.8**	**0.2**
Measured and Indicated	9.0	1.44	1.07	0.21	0.416	0.308	41.9	1.0
	24.0	0.99	0.70	0.16	0.765	0.540	102.6	0.5
	33.7	**0.81**	**0.55**	**0.15**	**0.878**	**0.591**	**175.4**	**0.2**
Inferred	0.3	1.38	1.20	0.10	0.014	0.012	0.2	1.0
	9.2	0.66	0.45	0.11	0.196	0.135	6.4	0.5
	57.1	0.36	0.23	0.07	0.660	0.423	22.9	0.2
Total	9.3	1.44	1.07	0.21	0.430	0.319	42.1	1.0
	33.2	0.90	0.63	0.15	0.962	0.675	109.2	0.5
	90.9	**0.53**	**0.35**	**0.10**	**1.538**	**1.014**	**199.6**	**0.2**

Resource estimate of the Randu Kuning deposit within the Wonogiri project.
All figures are rounded and summation differences in totals are due to rounding.

Metallurgical testing has been highly favourable with recoveries of over 89.0% of gold and 95.0% of copper. Concentrates of up to 90.6 g/t gold and 21.2% copper have been achieved during initial concentrate optimisation studies. Lower head grade material (head grade: gold grade 0.62g/t and copper grade of 0.19%) also returned favourable results with recoveries of 90.1% for gold and 93.8% for copper.

Testing has indicated that the optimum grind size is approximately 106 micrometres (80% passing 106 micrometres) with gold recovery of 90.1% achieved and copper recovery of 93.8%. Finer grinding resulted in no change to the gold recovery. Metallurgical studies have focused on the sulphide portion of the deposit. Additional metallurgical testing is being planned for the oxide component of the deposit.



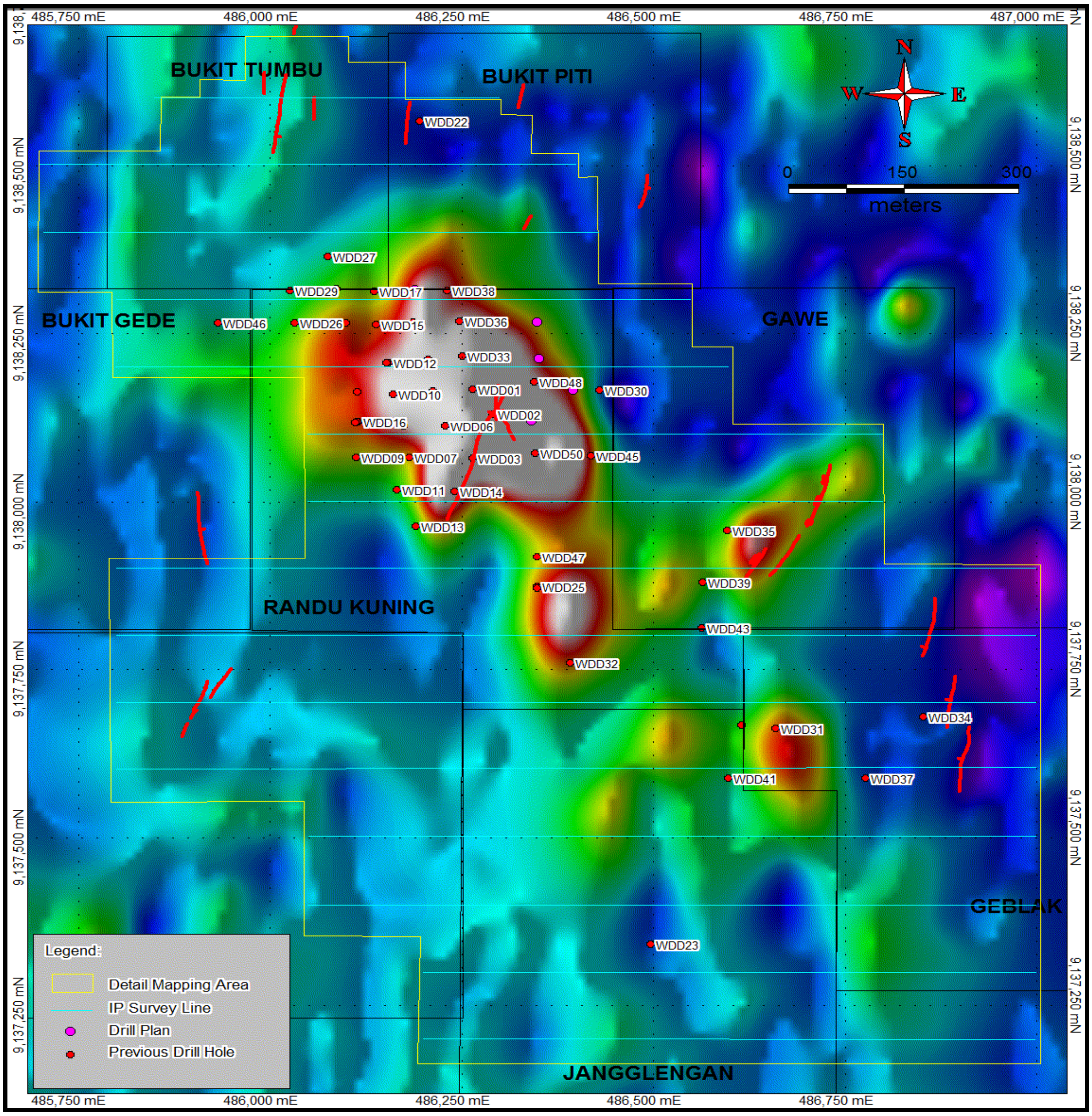
The Randu Kuning mineralised zone in 3D, showing the near surface high grade zone. Mineralisation occurs from surface to over 500 metres below surface.

On 11 March 2014 the Company announced to the ASX the results of the scoping study for the Randu Kuning deposit.

In addition to the Randu Kuning deposit, the Wonogiri project contains a number of additional exploration targets and modelling is underway with the aim of defining additional drill targets. Further geophysical programs will be developed which will be aimed at testing targets in the vicinity of Randu Kuning.

The exploration activities to be undertaken in 2014 include:

- Detail mapping on all potential target areas outside the Randu Kuning deposit.
- Induced polarisation ('IP') geophysical survey over 130 hectares to delineate additional targets outside the Randu Kuning deposit.
- Infill drilling at Randu Kuning to extend known zones of mineralisation and upgrade the resource estimates.
- Drilling targets delineated by IP in combination with detail mapping outside the Randu Kuning deposit.



Additional exploration areas at the Wonogiri project.

Australia

The central and western region of NSW hosts a number of world class deposits including the Cadia, Ridgeway and Northparkes deposits. Augur has completed JORC compliant resource estimates for deposits at the Collerina project (total resource estimate of 16.3 Mt at 0.93% nickel and 0.05% cobalt comprising of 4.4 Mt at 0.99% nickel and 0.06% cobalt of Indicated Resource and 11.9 Mt at 0.91% nickel and 0.05% cobalt of Inferred Resource using a 0.7% nickel cut-off) and at the Yeoval project (Inferred Resource estimate 12.9 million tonnes at 0.38% copper, 0.14 g/t gold, 120ppm molybdenum and 2.2 g/t silver using a 0.2% copper cut-off).

Collerina (EL 6336 - 100% Augur)

The Collerina project is located 40 kilometres south of Nyngan in central NSW, covering an area of 300 km^2 within the Fifield Platinum Province. The tenement contains the Homeville nickel-cobalt deposit, which was discovered by Augur in 2008.

An initial scoping study of the Homeville deposit found that a net present value of the project of $50.9 million based on a 12.5% discounted cash flow and an operation producing the nickel equivalent of 5,150 tonnes per annum over a period of 10 years. Nickel equivalent is defined below.

Two scenarios were evaluated to determine the operational inputs that had the greatest sensitivity to the project economics. Key project parameters used for each scenario were:

Attribute	Units	Scenario 1	Scenario 2
ROM throughput	Tonnes per annum	470,000	950,000
Total resource	Million tonnes	4.7	14.3
Life of operation	Years	10	15
Nickel	%	1.18	0.95
Cobalt	%	0.045	0.045
Overburden/ore ratio	Ratio of tonnes/tonnes	0.75	0.75
Nickel equivalent produced	Tonnes per annum	5,150	8,500

The estimations for the total capital cost for Scenario 1 were $105.1 million and a nickel equivalent cash cost of $6.04 per pound. Augur is currently reviewing options for the Homeville deposit.

The option agreement with Metals Finance lapsed during the period and subsequent to the end of the half-year, the Company entered into an exploration and development agreement with Helix Resources Limited (‘Helix’) covering EL6336. Under the terms of the agreement, Helix paid the Company $20,000 to secure the sole right to explore the tenement for precious and base metal mineralisation and is required to spend a minimum of $100,000 over 12 months on the tenement. Helix will hold 100% of the precious and base metal rights (excluding nickel laterite mineralisation), with Augur retaining a 1.5% net smelter royalty over any discoveries by Helix. Augur retains 100% ownership of the known nickel laterite mineralisation within the Homeville, Yethella and C1 Anomaly areas.

Yeoval (EL 6311 and ML 811 - 25% Augur)

Kimberly Diamonds Limited’s subsidiary Goodrich Resources Limited ('Goodrich') is the manager of the Yeoval project. Yeoval is a porphyry copper-gold system with near surface mineralisation. The Yeoval tenement covers an area of approximately 147 km^2 within the Lachlan Belt of New South Wales.

No significant results were received during the half-year. Augur is free carried on the Yeoval project until May 2014.

During the half-year the Group fully impaired the carrying value of the Yeoval project due to the inherent uncertainty of the recoupment of capitalised exploration costs associated with the project (see Note 4).

Augur Resources Ltd and its controlled entities

Directors' Report

Weelah (EL 6309 - 20% Augur)

The Weelah tenement, which covers an area of 150 km^2, is subject to a joint venture between Augur and Stonewall Resources Ltd ('Stonewall'). The project is situated on the Cowal Volcanics and a splay of the 'Gilmore Suture' a focus for gold projects in the Lachlan Fold Belt of New South Wales. Augur has an interest of 20% in the project and Stonewall are operators of the project. No significant work was reported on the project during the half-year.

Augur is free carried on the Weelah project to feasibility.

Corporate

Issue of Shares

Following shareholder approvals at the 2013 Annual General Meeting, Augur issued 60,000,000 new fully paid ordinary shares to PT. Archi Indonesia (‘PT Archi’), a nominee of the Rajawali Group (‘Rajawali’), at $0.05 per share for total cash consideration of $3,000,000. In addition, Augur granted PT Archi an option to subscribe for a further 50,536,400 fully paid ordinary shares for $3,750,000. Upon completion of this further subscription, Augur will cause its subsidiary, Wonogiri Pty. Ltd to sell a 35% interest in its subsidiary PT Alexis Perdana Mineral (‘PT Alexis’) to Rajawali for $50,000. Wonogiri Pty Ltd is the 90% owner of PT Alexis and PT Alexis is the holder of the licence covering the Wonogiri project.

The issue price of the 60,000,000 shares represented a 150% premium to the 5 day volume weighed average price ('VWAP') and a 184% premium to the 30 day VWAP of the Company's shares at the time of the transaction was announcement in September 2013.

Rajawali Group

Rajawali was founded in 1984 and is one of the largest privately owned conglomerates in Indonesia. Its core interests include mining, minerals, infrastructure, transportation, hospitality and agriculture. Rajawali recently concluded a successful friendly takeover of Archipelago Resources plc, owners of the Toka Tindung gold mine, which produced 139,012 AuEq ounces in 2012 at a cash cost of US$635 (net of silver credits) and hold a 10.7% shareholding in ASX listed Indo Mines Limited, owners of the Jogjakarta iron project in Java.

Resignation of Managing Director

Subsequent to the end of the half-year, the Company announced the resignation of Grant Kensington as Managing Director of the Company. Grant Kensington remains on the Board as a Non-Executive Director.

Competent Person Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Augur staff and contractors and approved by Grant Kensington, geoscientist, who is a Member of the Australasian Institute of Mining and Metallurgy. Grant Kensington is a Director of the Company who has sufficient experience which is relevant to the styles of mineralisation and type 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'. 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 for the Wonogiri project 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 1.0 metre or 2.0 metres. 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 each 10 sample interval.

Augur Resources Ltd and its controlled entities

Directors' Report

This information 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 that all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed.

[1] Gold Equivalent Calculation

Where reported, gold equivalent results are calculated using a gold price of US$1,198/oz and a copper price of US$6,945/t. 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 (%)*6,945)/38.51)
(i.e.: 1.0% Cu = 1.80 g/t Au)

SUBSEQUENT EVENTS

No matters or circumstances have arisen since the end of the reporting period, which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

LEAD AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Lead Auditor's Independence Declaration on page 11 as required under Section 307C of the *Corporations Act 2001* is attached to and forms part of the Directors' Report for the half-year ended 31 December 2013.

Signed in accordance with a resolution of the Directors.

Norman A. Seckold
Chairman

Sydney, 14 March 2014

Lead Auditor's Independence Declaration under Section 307C of the *Corporations Act 2001* to the Directors of Augur Resources Ltd.

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2013, there have been:

(i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and

(ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

Stephen J. Board
Partner

14 March 2014
Brisbane

KPMG, an Australian partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ('KPMG International'), a Swiss entity.

Liability limited by a scheme approved under Professional Standards Legislation.

Augur Resources Ltd and its controlled entities
Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income
for the half-year ended 31 December 2013

	Note	31 December 2013 $	31 December 2012 $
Continuing operations			
Administration and consultants' expenses		**(182,381)**	(323,767)
Audit fees		**(29,550)**	(19,200)
Depreciation		**(287)**	(202)
Exploration and evaluation - pre-licence costs		**-**	(63,177)
Impairment loss - deposit		**-**	(73,827)
Impairment loss - exploration and evaluation expenditure		**(1,423,132)**	-
Employee and Director expenses		**(170,318)**	(230,750)
Share based payment expenses		**-**	(38,565)
Legal expenses		**-**	(108,137)
Other expenses from ordinary activities		**(42,068)**	(11,517)
Operating loss before financing income		**(1,847,736)**	**(869,142)**
Finance income		**6,294**	4,080
Net finance income		**6,294**	**4,080**
Loss before income tax		**(1,841,442)**	**(865,062)**
Income tax		**-**	**-**
Loss for the period		**(1,841,442)**	**(865,062)**
Other comprehensive income for the periodItems that may be classified subsequently to profit or loss			
Net change in fair value of available for sale financial assets		**12,750**	**(2,250)**
Foreign currency translation		**(1,090)**	**50**
Total other comprehensive income		**11,660**	**(2,200)**
Total comprehensive loss for the period		**(1,829,782)**	**(867,262)**
Loss attributable to:			
Owners of the Company		**(1,840,895)**	(861,200)
Non-controlling interest		**(547)**	(3,862)
Loss for the period		**(1,841,442)**	**(865,062)**
Total comprehensive loss attributable to:			
Owners of the Company		**(1,829,126)**	(863,405)
Non-controlling interest		**(656)**	(3,857)
Total comprehensive loss for the period		**(1,829,782)**	**(867,262)**
Earnings per share			
Basic and diluted loss per share (cents per share)		**(0.87)**	**(0.44)**

The above statement should be read in conjunction with the accompanying notes.

Augur Resources Ltd and its controlled entities
Condensed Consolidated Interim Statement of Financial Position
as at 31 December 2013

	Note	31 December 2013 $	30 June 2013 $
Current assets			
Cash and cash equivalents		**2,195,638**	327,444
Trade and other receivables		**13,724**	4,956
Other assets		**46,931**	36,431
Total current assets		**2,256,293**	**368,831**
Non-current assets			
Environmental bonds		**25,000**	55,000
Available-for-sale financial assets		**30,750**	18,000
Property, plant and equipment		**755**	1,042
Exploration and evaluation expenditure	4	**4,986,810**	6,304,628
Total non-current assets		**5,043,315**	**6,378,670**
Total assets		**7,299,608**	**6,747,501**
Current liabilities			
Trade and other payables		**191,688**	590,577
Total current liabilities		**191,688**	**590,577**
Total liabilities		**191,688**	**590,577**
Net assets		**7,107,920**	**6,156,924**
Equity			
Issued capital	5	**21,992,194**	21,011,416
Reserves		**2,199,713**	578,631
Accumulated losses		**(17,078,852)**	(15,428,644)
Total equity attributable to equity holders of the Company		**7,113,055**	**6,161,403**
Non-controlling interest		**(5,135)**	(4,479)
Total equity		**7,107,920**	**6,156,924**

The above statement should be read in conjunction with the accompanying notes.

Augur Resources Ltd and its controlled entities
Condensed Consolidated Interim Statement of Cash Flows
for the half-year ended 31 December 2013

	Note	31 December 2013 $	31 December 2012 $
Cash flows from operating activities			
Cash payments in the course of operations		**(818,581)**	(646,433)
Interest received		**6,294**	4,080
Net cash used in operating activities		**(812,287)**	**(642,353)**
Cash flows from investing activities			
Payments for exploration expenditure		**(130,297)**	(344,597)
Proceeds from refund of security deposits		**30,000**	-
Net cash used in investing activities		**(100,297)**	**(344,597)**
Cash flows from financing activities			
Proceeds from share issue	5	**3,000,000**	1,123,750
Transaction costs on share issue	5	**(219,222)**	(58,495)
Net cash from financing activities		**2,780,778**	**1,065,255**
Net increase in cash and cash equivalents		**1,868,194**	**78,305**
Cash and cash equivalents at 1 July		**327,444**	**157,421**
Cash and cash equivalents at 31 December		**2,195,638**	**235,726**

The above statement should be read in conjunction with the accompanying notes.

Augur Resources Ltd and its controlled entities
Condensed Consolidated Interim Statement of Changes in Equity
for the half-year ended 31 December 2013

	Note	Issued Capital $	Fair Value Reserve $	Option Premium Reserve $	Foreign Currency Translation Reserve $	Accumulated Losses $	Total $	Non-Controlling Interest $	Total Equity $
Balance as at 1 July 2012		19,946,161	7,500	1,609,735	-	(15,474,139)	6,089,257	-	6,089,257
Total comprehensive income for the period									
Loss for the period		-	-	-	-	(861,200)	(861,200)	(3,862)	(865,062)
Other comprehensive income		-	(2,250)	-	45	-	(2,205)	5	(2,200)
Total comprehensive loss for the period		-	(2,250)	-	45	(861,200)	(863,405)	(3,857)	(867,262)
Transactions with owners, recorded directly in equity									
Contributions by and distributions to owners									
Issue of shares	5	1,123,750	-	-	-	-	1,123,750	-	1,123,750
Transaction cost on issue of shares	5	(58,495)	-	-	-	-	(58,495)	-	(58,495)
Share based payments		-	-	38,565	-	-	38,565	-	38,565
Transfer of expired options		-	-	(62,000)	-	62,000	-	-	-
Total contributions by and distributions to owners		1,065,255	-	(23,435)	-	62,000	1,103,820	-	1,103,820
Balance at 31 December 2012		21,011,416	5,250	1,586,300	45	(16,273,338)	6,329,673	(3,857)	6,325,816
Balance as at 1 July 2013		**21,011,416**	**5,250**	**578,687**	**(5,306)**	**(15,428,644)**	**6,161,403**	**(4,479)**	**6,156,924**
Total comprehensive income for the period									
Loss for the period		**-**	**-**	**-**	**-**	**(1,840,895)**	**(1,840,895)**	**(547)**	**(1,841,442)**
Other comprehensive income		**-**	**12,750**	**-**	**(981)**	**-**	**11,769**	**(109)**	**11,660**
Total comprehensive loss for the period		**-**	**12,750**	**-**	**(981)**	**(1,840,895)**	**(1,829,126)**	**(656)**	**(1,829,782)**
Transactions with owners, recorded directly in equity									
Contributions by and distributions to owners									
Issue of shares	5	**1,200,000**	**-**	**-**	**-**	**-**	**1,200,000**	**-**	**1,200,000**
Issue of options		**-**	**-**	**1,800,000**	**-**	**-**	**1,800,000**	**-**	**1,800,000**
Transaction cost on issue of shares	5	**(219,222)**	**-**	**-**	**-**	**-**	**(219,222)**	**-**	**(219,222)**
Transfer of expired options		**-**	**-**	**(190,687)**	**-**	**190,687**	**-**	**-**	**-**
Total contributions by and distributions to owners		**980,778**	**-**	**1,609,313**	**-**	**190,687**	**2,780,778**	**-**	**2,780,778**
Balance at 31 December 2013		**21,992,194**	**18,000**	**2,188,000**	**(6,287)**	**(17,078,852)**	**7,113,055**	**(5,135)**	**7,107,920**

The above statement should be read in conjunction with the accompanying notes.

Augur Resources Ltd and its controlled entities
Notes to the Condensed Consolidated Interim Financial Statements
for the half-year ended 31 December 2013

1. REPORTING ENTITY

Augur Resources Ltd (the 'Company') is a company domiciled in Australia. The condensed consolidated interim financial statements of the Company as at and for the half-year ended 31 December 2013 comprise the Company and its controlled entities (together referred to as 'the Group').

The Group is a for-profit entity and is primarily involved in the exploration of gold and copper projects.

The consolidated annual financial report of the Group as at and for the year ended 30 June 2013 is available upon request from the Company's registered office at Level 2, 66 Hunter Street, Sydney, NSW, 2000 or at www.augur.com.au.

2. BASIS OF PREPARATION

(a) Statement of compliance

The condensed consolidated interim financial statements are general purpose financial statements prepared in accordance with the requirements of the *Corporations Act 2001* and Accounting Standard AASB 134 '*Interim Financial Reporting'.*

The condensed consolidated interim financial statements do not include full disclosures of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual financial report for the year ended 30 June 2013 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the ASX Listing Rules.

These condensed consolidated interim financial statements were authorised for issue by the Directors on 14 March 2014.

(b) Estimates

The preparation of the condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the accounting policies of the Group and the key sources of estimation uncertainty were the same as those that applied in the consolidated annual financial report for the year ended 30 June 2013.

(c) Going concern

The condensed consolidated interim financial statements have been prepared on a going concern basis which contemplates the realisation of assets and settlement of liabilities in the ordinary course of business.

The Group recorded a loss for the half-year of $1,841,442, used $812,287 of cash in operating activities and has accumulated losses of $17,078,852 as at 31 December 2013. The Group has cash on hand of $2,195,638, net assets of $7,107,920 and net current assets of $2,064,605 as at 31 December 2013.

The Directors have prepared cash flow projections that support the ability of the Group to continue as a going concern. These cash flow projections assume that the Group is able to adjust the level of expenditure in line with available funding in order to settle its liabilities as they become due and payable over the next twelve months.

3. SIGNIFICANT ACCOUNTING POLICIES

Except as described below, the accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated annual financial report as at and for the year ended 30 June 2013. The following changes in accounting policies are also expected to be reflected in the financial statements as at and for the year ending 30 June 2014.

Changes in accounting policies

The Group has adopted the following standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 1 July 2013.

AASB 10 Consolidated Financial Statements (2011) (see Note 3 (a))
AASB 11 Joint Arrangements (see Note 3 (b))
AASB 13 Fair Value Measurement (see Note 3 (c))
Annual Improvements to Australian Accounting Standards 2009-2011 Cycle (see Note 3 (d)).

The nature and the effect of the changes are further explained below.

(a) Subsidiaries

As a result of AASB 10 (2011), the Group has changed its accounting policy for determining whether it has control over and consequently whether it consolidates its investees. AASB 10 (2011) introduces a new control model that is applicable to all investees, by focusing on whether the Group has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns. In particular, AASB 10 (2011) requires the Group to consolidate investees that it controls on the basis of de facto circumstances.

In accordance with the transitional provisions of AASB 10 (2011), the Group reassessed the control conclusion for its investees at 1 July 2013. There has been no change to conclusions in respect of the treatment of the Group's investees, and the treatment continues to be consistent with prior periods.

(b) Joint arrangements

As a result of AASB 11, the Group has changed its accounting policy for its interests in joint arrangements. Under AASB 11, the Group classifies its interests in joint arrangements as either joint operations or joint ventures depending on the Group's rights to the assets and obligations for the liabilities of the arrangements. When making this assessment, the Group considers the structure of the arrangements, the legal form of any separate vehicles, the contractual terms of the arrangements and other facts and circumstances. Previously, the structure of the arrangement was the sole focus of classification.

This Group has assessed the impact of this change and has concluded that there is no impact on the financial statements.

(c) Fair value measurement

AASB 13 establishes a single framework for measuring fair value and making disclosures about fair value measurements, when such measurements are required or permitted by other AASBs. In particular, it unifies the definition of fair value as the price at which an orderly transaction to sell an asset or to transfer a liability would take place between market participants at the measurement date. It also replaces and expands the disclosure requirements about fair value measurements in other AASBs, including AASB 7 Financial Instruments: Disclosures. Some of these disclosures are specifically required in interim financial statements for financial instruments and, accordingly, the Group has included additional disclosures in this regard (see Note 9).

In accordance with the transitional provisions of AASB 13, the Group has applied the new fair value measurement guidance prospectively, and has not provided any comparative information for new disclosures. Notwithstanding the above, the change had no significant impact on the measurements of the Group's assets and liabilities.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Annual improvements to Australian Accounting Standards 2009-2011 Cycle

The amendment to AASB 134 clarifies that the Group needs to disclose the measures of total assets and liabilities for a particular reportable segment only if the amounts are regularly provided to the Group's chief operating decision maker and there has been a material change from the amount disclosed in the last annual financial statements for that reportable segment. No additional disclosure has been required as a result of this amendment.

4. EXPLORATION AND EVALUATION EXPENDITURE

	As at 31 December 2013 $	As at 30 June 2013 $
New South Wales	**956,850**	2,376,641
Indonesia	**4,029,960**	3,927,987
	4,986,810	**6,304,628**

The ultimate recoupment of these costs is dependent on the successful development and exploitation, or alternatively sale, of the respective areas of interest.

During the half-year ended 31 December 2013, the Group fully impaired the carrying value of the Yeoval project by and amount of $1,423,132 due to the inherent uncertainty of the recoupment of these costs and the minimal activities undertaken at the project during the period. The impairment charge has been allocated to the NSW segment in Note 6.

5. CAPITAL AND RESERVES

	As at 31 December 2013 $	As at 30 June 2013 $
Issued and paid up capital		
265,281,798 ordinary shares fully paid (30 June 2013 - 205,281,798)	**23,792,194**	**21,011,416**

	Nº of shares	$	Nº of shares	$
Ordinary shares				
Fully paid ordinary shares carry one vote per share and carry the right to dividends.				
Movement in ordinary shares on issue				
Balance at the beginning of the period	**205,281,798**	**21,011,416**	177,188,048	19,946,161
Shares issued during the period				
Fully paid ordinary shares issued 12 September 2012	**-**	**-**	28,093,750	1,123,750
Transaction costs	**-**	**-**	-	(58,495)
Fully paid ordinary shares issued 11 December 2013	**60,000,000**	**1,200,000***	-	-
Transaction costs	**-**	**(219,222)**	-	-
Balance at the end of the period	**265,281,798**	**21,992,194**	**205,281,798**	**21,011,416**

*During the half-year ended 31 December 2013, the Company issued 60,000,000 new fully paid ordinary shares to PT. Archi Indonesia (‘PT Archi’), following receipt of subscription consideration of $3,000,000. In addition, the Company has granted to PT Archi the option to subscribe for a further 50,536,400 fully paid ordinary shares in the Company for $3,750,000, and acquire 8,400 fully paid ordinary shares in a subsidiary of the Company, PT Alexis Perdana Mineral, for $50,000, as approved by shareholders at the 2013 Annual General Meeting.

5. CAPITAL AND RESERVES (continued)

The $3,000,000 subscription consideration received was recognised in equity with $1,200,000 classified within equity as issued share capital and $1,800,000 classified within equity to reflect the fair value of the options.

6. SEGMENT REPORTING

The Group determines and presents operating segments based on the information that is internally provided to the Board.

Inter-segment pricing is determined on an arm's length basis.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly income earning assets and revenue, interest bearing loans, borrowings and expenses, and corporate assets and expenses.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

Geographical segments

For the half-year ended 31 December 2013 the Group principally operated in Indonesia and NSW, Australia in the mineral exploration sector.

The Group has two reportable geographic segments, as described below:

Operating Segment	Indonesia $	NSW $	Unallocated $	Consolidated total $
31 December 2013				
Segment revenue				
Revenue - external	-	-	-	-
Finance income	-	-	6,294	6,294
Total revenue	**-**	**-**	**6,294**	**6,294**
Segment loss before income tax	**(5,467)**	**(1,423,132)**	**(412,843)**	**(1,841,442)**
Segment assets	**4,657,938**	**981,850**	**1,659,820**	**7,299,608**
Segment liabilities	**124,570**	**-**	**67,118**	**191,688**
31 December 2012				
Segment revenue				
Revenue - external	-	-	-	-
Finance income	-	-	4,080	4,080
Total revenue	**-**	**-**	**4,080**	**4,080**
Segment loss before income tax	**(228,737)**	**-**	**(636,325)**	**(865,062)**
Segment assets	**3,662,532**	**2,424,070**	**524,610**	**6,611,212**
Segment liabilities	**44,887**	**-**	**240,509**	**285,396**

7. SUBSEQUENT EVENTS

No matters or circumstances have arisen since the end of the reporting period, which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

8. RELATED PARTIES

Key management personnel and director transactions

A number of key management persons, or their related parties, hold positions in other entities that result in them having control or joint control over the financial or operating policies of those entities.

These entities transacted with the Group during the year as follows:

- During the half-year year ended 31 December 2013, Norman Seckold and Peter Nightingale held a controlling interest in an entity, Mining Services Trust, which provided full administration services to the Group, including rental accommodation, administrative staff, services and supplies. Fees paid to Mining Services Trust during the year amounted to $128,100 (31 December 2012 - $161,500). At 31 December 2013 there were $29,600 of fees outstanding (2012 - $29,100).

9. FINANCIAL INSTRUMENTS

Financial risk management

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated annual financial report as at and for the year ended 30 June 2013.

Carrying amounts versus fair values

The carrying amounts of financial assets and financial liabilities included in the balance sheet approximate fair values.

Financial instruments carried at fair value

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
	$	$	$	$
31 December 2013				
Available-for-sale financial assets	**30,750**	**-**	**-**	**30,750**

All available-for-sale financial assets relate to investments held in listed equity securities.

Augur Resources Ltd and its controlled entities
Directors' Declaration

In accordance with a resolution of the Directors of Augur Resources Ltd, I state that:

In the opinion of the Directors:

(a) the financial statements and notes set out on pages 12 to 20 are in accordance with the Corporations Act 2001 including:

(i) giving a true and fair view of the Group's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and

(ii) complying with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Regulations 2001; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.

Norman A. Seckold
Chairman

Sydney, 14 March 2014

Independent Auditor's Review Report to the Members of Augur Resources Ltd

We have reviewed the accompanying interim financial report of Augur Resources Ltd ('the Company'), which comprises the condensed consolidated interim statement of financial position as at 31 December 2013, condensed consolidated interim statement of profit or loss and other comprehensive income, condensed consolidated interim statement of changes in equity and condensed consolidated interim statement of cash flows for the half-year ended on that date, notes 1 to 9 comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the Group comprising the Company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' Responsibility for the Interim Financial Report

The directors of the Company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE *2410 Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2013 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Augur Resources Ltd, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001.*

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Independent Auditor's Review Report to the Members of Augur Resources Ltd

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Augur Resources Ltd is not in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the Group's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and

b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

KPMG

KPMG
14 March 2014
Brisbane

Stephen J. Board
Partner

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