



ASX ANNOUNCEMENT

Proposed Sale of Shares by Major Shareholder

16 October 2009

Augur Resources Limited ("Augur") has been advised that an agreement has been reached between Augur's largest shareholder, Ichiya Co Ltd ("Ichiya") and Permgold Pty Ltd ("Permgold"), for the disposal of 60,000,000 Augur shares in two tranches. Both transactions will require shareholder approval.

The first proposed share disposal will involve Ichiya selling 30,000,000 shares to Permgold at the price of \$0.033/share for a total consideration of \$1,000,000. This is subject to shareholder approval which is proposed to be sought at the forthcoming annual general meeting.

The second tranche will be subject to a proposed Put and Call Deed, which will see Ichiya issue a call option for 30,000,000 shares at a strike price of \$0.08 per share to Permgold exercisable within 1 year from the date of shareholders approval. At the same time Permgold will issue to Ichiya a put option with a strike price of \$0.08 per share to be exercisable at anytime within 1 year following shareholders approval.

In order to present a fair and reasonable opinion of the above transactions, Augur will engage Lonergan Edwards & Associates Ltd to prepare an Independent Expert's report. This report will be sent to shareholders prior to the annual general meeting.

Both the above transactions will require shareholder approval and it is intended that voting on the above proposals will occur at Augur's forthcoming annual general meeting.

Permgold is an Australian company 100% held and controlled by Mr Norm Seckold and his family.

Mr Norm Seckold has over 25 years experience in managing exploration and mining companies in Australia and overseas. He is currently Chairman of ASX-listed Cockatoo Coal Limited, Kings Minerals NL and Planet Gas Limited and Canadian-listed San Anton Resources Corporation. Until December 2007, when it was taken over by Coeur d'Alene Mines Corporation, he was the Chairman and largest shareholder of Bolnisi Gold NL, the discoverer of the multi-million ounce Palmarejo gold/silver deposit in Mexico.

For further information, please contact:

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