

**REPORT ON ACTIVITIES FOR THE QUARTER ENDED  
30 JUNE 2010  
(ASX: AUK)**

30 July 2010

**OPERATIONAL HIGHLIGHTS**

- Diamond drill results from Jampang in Indonesia have returned some significant intersections including **36.0 metres at 1.74g/t gold, 7.9g/t silver and 0.89% copper** from 28.6 metres in hole JADD10, **20.2 metres at 1.43g/t gold 5.2g/t silver and 0.21% copper** in hole JADD11 and **10.0 metres at 7.47g/t gold and 6.4g/t silver** in hole JADD8.
- Results continue to support the existence of a significant gold deposit at Jampang. An initial resource drill program has commenced on the main Lipi gold zone.
- Drilling at the Homeville nickel-cobalt deposit in central western NSW was completed during the quarter. Drilling has shown that nickel and cobalt mineralisation is more extensive than previously reported. Significant results include **60.0 metres at 1.53% nickel and 1009ppm cobalt** from surface in hole CORC284, including 16.0 metres at 2.33% nickel from 24 metres depth and **57.0 metres at 1.59% nickel and 394ppm cobalt** from 20 metres depth, including 12.0 metres at 2.43% nickel from 24 metres depth in hole COAC286.

**CORPORATE HIGHLIGHTS**

- Augur Resources Ltd ('Augur' or 'the Company') raised \$733,305 through the exercising of 3,666,527 listed options. Augur now has a total of 109,722,569 listed shares.

## **KEY PROJECTS**

Augur is a resource development company, with a focus on gold, copper and nickel projects within Indonesia and the Lachlan Fold Belt of central and western NSW.

### **Central Jampang Gold Project**

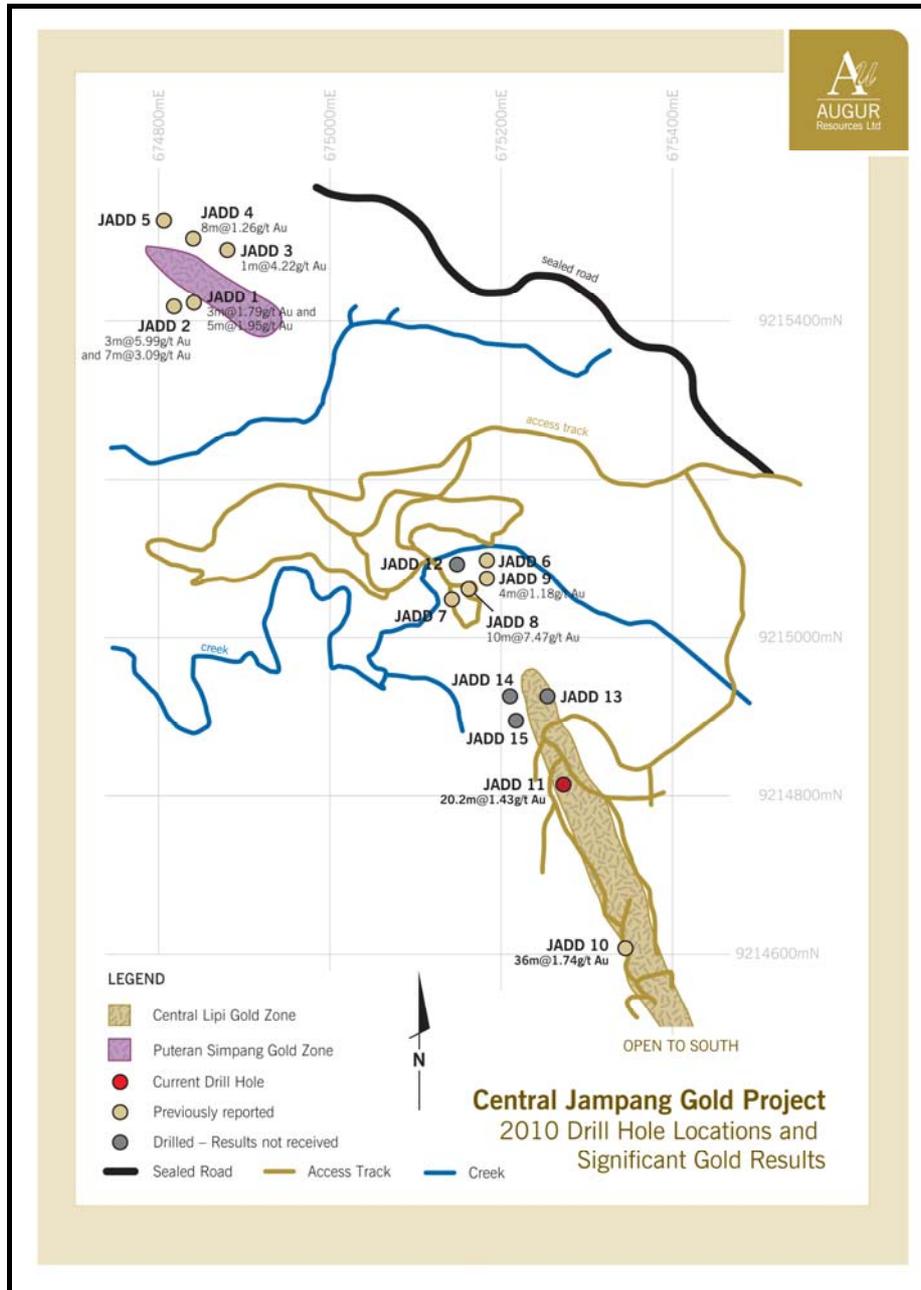
During the quarter, Augur commenced diamond drilling at the central Jampang project. The initial focus of the drilling has been to confirm the historical drill results which indicate a significant gold deposit at Jampang, in particular at the main Lipi prospect.

Initial results from the first 15 drill holes support the historical drill results and the notion of significant gold mineralisation at Jampang.

Five holes were targeted on the Puteran Simpang prospect. Best results from Puteran Simpang include 3.0 metres at 5.99g/t gold and 5.9g/t silver from 70 metres and a further 7.0 metres at 3.09g/t gold and 16.1g/t silver from 79 metres in hole JADD2.

During the quarter, Augur discovered a new zone of gold mineralisation at its Lipi North prospect. Best results from Lipi North have included 10.0 metres at 7.47g/t gold and 6.4g/t silver from 73 metres in hole JADD8. Localised higher grade intervals have also been detected at Lipi North including 0.5 metres at 56.00g/t gold and 26.6g/t silver from 7 metres in JADD6. Further drilling will be undertaken in due course to determine the extent of mineralisation at Lipi North.

Drilling at the main Lipi zone has been encouraging. Holes JADD10 and JADD11 were drilled in the central portion of the Lipi gold zone to reaffirm historical significant gold results. The holes were located along strike and approximately 240 metres apart. Hole JADD10 returned 36.0 metres at 1.74g/t gold, 7.9g/t silver and 0.89% copper from 28.6 metres. This zone included 8.0 metres at 5.34g/t gold, 11.4g/t silver 1.15% copper from 41.6 metres. Hole JADD11 returned 20.2 metres at 1.43g/t gold, 5.2g/t silver and 0.21% copper from 71.5 metres, including 4 metres at 3.58g/t gold, 14.2g/t silver and 0.69% copper from 79.7 metres.



Systematic grid based drilling has commenced to define the extent of gold mineralisation at Lipi. This work commenced at the historically northern extent of the Lipi zone. The first two holes in this zone, JADD13 and JADD14, both intersected significant gold mineralisation with hole JADD13 returning 15.3 metres at 0.82g/t gold, 4.8g/t silver and 0.4% zinc from 23.4 metres and a further 1.0 metre at 8.92g/t gold from 137 metres. Hole JADD14 returned 12.3 metres at 3.7g/t gold, 12.7g/t silver from 63.2 metres, including 4.0 metres at 4.93g/t gold, 24.2g/t silver, 0.19% copper, 1.11% lead and 1.32% zinc from 63.2 metres and a further 3.0 metres at 6.27g/t gold, 12.4g/t silver, 0.32% copper and 1.06% zinc from 71.5 metres. In addition, a further 3.0 metres at 14.35g/t gold, 8.9g/t silver and 0.59% copper from 104.3 metres was intersected.

The results from JADD13 and JADD14 are indicating multiple mineralised vein and breccia systems. These holes also indicate that mineralisation may extend further north than previously known.

A ground magnetic survey was undertaken during the quarter over the majority of the licence area. The final data is yet to be received. This data will be integrated with drilling and geological data to define further drill targets.

### Central and Western NSW

The central and western region of NSW hosts a number of world class deposits including the Cadia, Ridgeway and North Parkes deposits. Augur has JORC compliant inferred resource estimates for deposits at Yeoval (12.9Mt 0.38% copper, 0.12g/t gold, 120ppm molybdenum and 2.1g/t silver) and the Collerina Homeville deposit (12.2Mt 0.91% nickel and 0.06% cobalt). Both of these deposits remain open in extent and therefore are only partially defined.



**NSW Project Locations**

### Collerina (EL 6336)

The Collerina tenement is located 40 kilometres south of Nyngan in central NSW, covering an area of 300km<sup>2</sup> within the Fifield Platinum Province. The tenement contains the Homeville nickel-cobalt deposit (JORC Inferred Resource of 12.2Mt at 0.91% nickel and 0.06% cobalt), which was discovered by Augur in 2008.



**Drilling at the Homeville nickel-cobalt deposit.**

During the quarter, Augur completed a drill program at Homeville which was aimed at better defining the extent of the Homeville deposit. A total of 2,403 metres was drilled using a combination of aircore, reverse circulation and diamond drilling.

Drilling to close off the depth extent of the mineralisation has resulted in some significant increases in the thickness of the mineralised zone. A summary of comparable results are shown in Table 1.

All the extension holes resulted in favourable increases to the known extent of the nickel mineralisation. Hole CORC284 resulted in a very significant increase in known nickel content. This hole was targeted on 2008 drill hole COAC237 which had intersected 38.0 metres at 0.93% nickel and ended in 1.27% nickel. Hole CORC284 drilled through the mineralisation and recorded a total of 60 metres at 1.53% nickel.

CURRENT DRILL PROGRAM					HISTORICAL DRILL RESULTS		
Current Drillhole	From (m)	Interval (m)	Nickel %	Cobalt ppm	Interval (m)	Nickel %	Cobalt ppm
CORC280	8	36	0.83	410	16	0.99	528
CORC282	4	12	1.01	1280	12	0.81	680
CORC284	0	60	1.53	1009	38	0.93	1395
CORC285	32	25	1.20	789	16	0.89	440
COAC286	20	57	1.59	394	43	1.49	425
COAC288	20	20	1.15	258	14	1.77	1237
COAC289	20	33	1.03	335	6	0.92	495
COAC290	8	32	1.05	810	14	0.86	726

**TABLE 1: A comparison of the current 2010 drill hole results and the historical 2008 and 2007 drill results. The 2010 drill holes shown in this table were generally drilled within 5.0 metres of the corresponding 2008 or 2007 drill hole. All the historical holes included in this table were terminated in mineralisation.**

The 2010 drill program was also undertaken to determine the strike extent of the mineralisation. The results indicate that mineralisation continues along strike to the northwest for over 1,000 metres and over 500 metres to the southeast of the known deposit resulting in a known strike length of approximately 2,850 metres. The zone has not been fully closed off to the northwest.

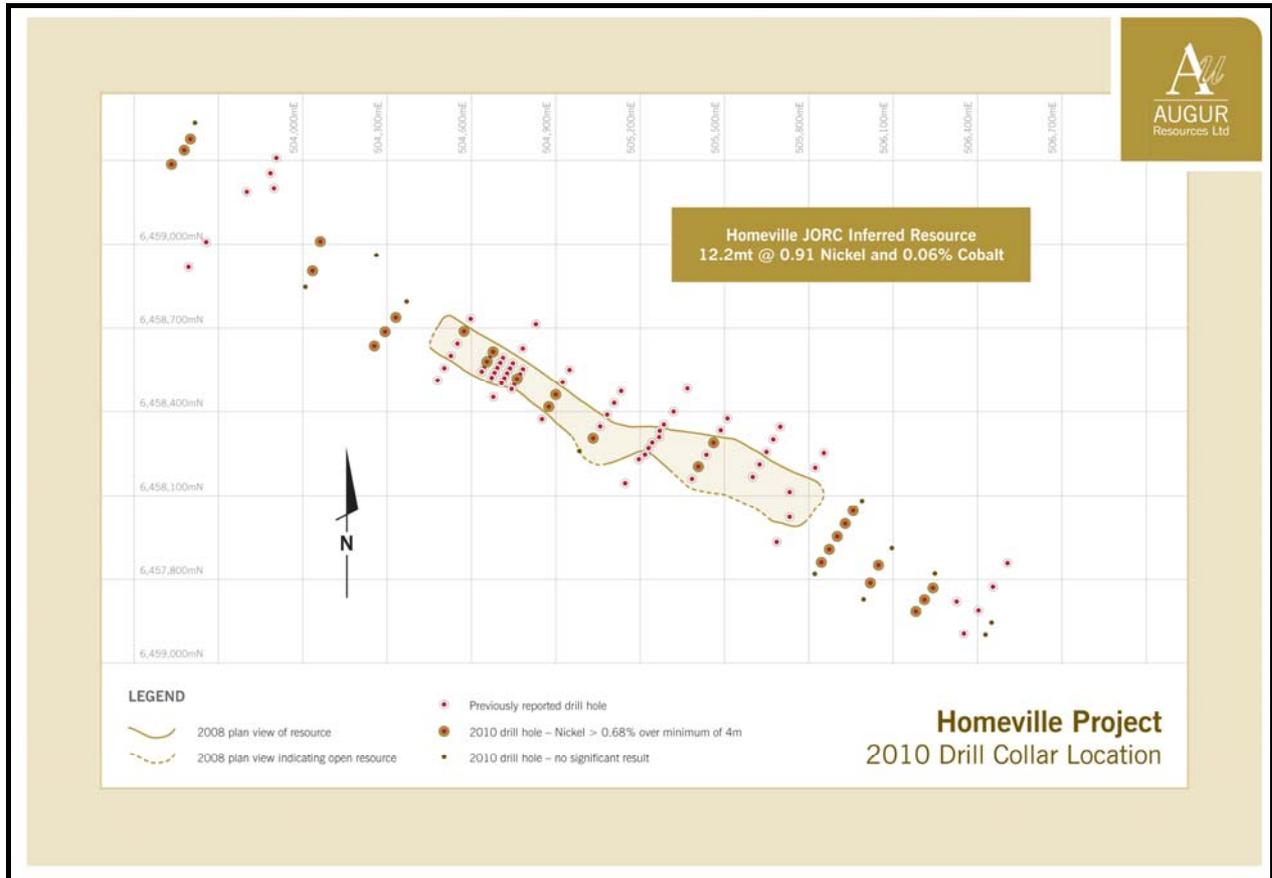
Results drilled to the southeast of the resource include:

- COAC262 (500m from the resource) 16.0m at 1.06% nickel and 478ppm cobalt
- COAC266 (310m from the resource) 4.0m at 1.16% nickel and 2640ppm cobalt
- COAC267 (310m from the resource) 4.0m at 1.28% nickel and 380ppm cobalt
- COAC269 (310m from the resource) 16.0m at 0.88% nickel and 250ppm cobalt
- COAC311 (edge of resource) 16.0m at 1.03% nickel and 460ppm cobalt

Results drilled to the northwest of the resource include:

- COAC292 (140m from the resource) 16.0m at 0.93% nickel and 1100ppm cobalt
- COAC293 (140m from the resource) 44.0m at 1.08% nickel and 814ppm cobalt
- COAC295 (520m from the resource) 8.0m at 1.16% nickel and 110ppm cobalt
- COAC277 (1,050m from the resource) 16.0m at 0.86% nickel and 345ppm cobalt
- COAC278 (1,050m from the resource) 8.0m at 1.13% nickel and 1090ppm cobalt
- COAC279 (1,050m from the resource) 20.0m at 0.94% nickel and 744ppm cobalt

Holes COAC278 and COAC277 also intersected anomalous silver, with hole COAC278 intersecting 4.0 metres at 31.00g/t silver from 32 metres and hole COAC277 intersecting 4.0 metres at 8.0g/t silver from 40 metres.



**Drill hole collar locations and the outline of the current Homeville nickel-cobalt resource.**

**Yeoval (EL 6309), Tullamore (EL 6312), Weelah (EL 6309) and Wallaby Rocks (EL 6310)**

No significant work was undertaken during the quarter on Yeoval, Weelah, Tullamore and Wallaby Rocks prospects.

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

Yours sincerely

**Grant Kensington**  
**Managing Director**  
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### ***About the Central Jampang Gold Project***

The Central Jampang gold project covers an area of approximately 390 hectares in south-western Java, Indonesia. Augur has an option to acquire 90% of PT Golden which holds exploitation and exploration licences covering the project area. The licence area covers a highly prospective mineralised zone which had been a focus of exploration by Mispac Resources Inc ('Mispac') in the mid 1990s. Java hosts a number of gold deposits including the Pongkor gold-silver deposit (+3,000,000 ounce gold deposit) which is approximately 50 kilometres north northwest of the Central Jampang licence area.

The general geology of the Jampang area consists of Miocene/Oligocene andesite and dacite rocks overlain by recent volcanic tuffs. The volcanic tuffs have a thickness of up to 20 metres. Steeply dipping breccias and quartz veining have been identified within the Central Jampang Gold project area.

Mispac identified and reported significant epithermal gold mineralisation associated with structural trends. Much of this mineralisation is reported to be open at depth and along strike.

Furthermore, Mispac undertook geophysical surveys subsequent to their main drilling program and identified anomalies associated with the known mineralisation and four additional anomalies which either have not been drill tested or have had only limited drill testing.

Mispac was planning to undertake further work at Jampang, but was hampered in raising sufficient funds due to negative sentiment in the market in light of the 1997 Bre-X scandal, the Asian financial crisis and the prevailing price of gold.

Augur is progressing towards establishing the preliminary JORC resource for the Central Jampang Gold project.

Diamond drilling is being undertaken to confirm previous results. Drilling will also be undertaken to define further mineralisation along strike and below the historically reported mineralisation.



### Central Jampang Gold Project Location

*Drill hole locations and assay results are available on the Company's website at [www.augur.com.au](http://www.augur.com.au).*

*The information in this ASX announcement referring to Augur Resources Limited's 30 June 2010 Quarterly Report is based on information compiled by Augur staff and approved by Mr Grant Kensington, who is a Member of the AusIMM.*

*Mr Kensington is an employee of Augur Resources Ltd and has had sufficient experience relevant to the styles of mineralisation and the types 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. Mr Kensington consents to the inclusion in the report of matters based on his information in the form and context in which it appears.*