



ANNUAL REPORT 2009
ABN 79 106 879 690

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"Our strength lies with both the quality of our tenements and the people who are defining our minable resources."



Dear Shareholder

Thank you for your support over the last financial year. Augur Resources is focussed on growing value for all shareholders and you can be assured that we will continue to focus on this in the years to come.

Our strength lies with both the quality of our tenements and the people who are defining our minable resources. Augur Resources continues to utilise expertise in the commodities sought and advanced technologies. I thank all people that have been involved in Augur over the last twelve months including our personnel, contractors and suppliers. We look forward to their continued support in the future. In particular, I would like to thank those that were involved in our new discoveries and the definition of the maiden resources at Yeoval and Homeville.

The global financial markets have experienced considerable difficulties over the last 12 months and uncertainty in the market remains. Growth in exploration unit costs has slowed or fallen and overall administration costs are lower than this time last year. Augur Resources continues to focus on maximising the value of every exploration dollar as we advance our prospects with the aim of defining further JORC compliant resources in the next 12 to 18 months.

Our Strategy

Augur Resources has a clear strategy of focussing on advancing projects, which have a high probability of being developed in the future, to JORC compliant resources and subsequently to operating mines. Our key commodities are copper, gold, molybdenum and nickel and our region of focus is the Lachlan Fold Belt of New South Wales. The Lachlan Fold Belt is endowed with several world class copper-gold deposits including Cadia, Ridgeway and Northparkes.

Growth

Augur Resources continues to focus on defining quality copper, gold and nickel JORC resources within its project portfolio. During the year I was pleased to announce the maiden JORC compliant inferred resources for the Yeoval Mine copper-gold-molybdenum deposit at Yeoval and the Homeville nickel-cobalt deposit at Collerina.

At Yeoval, the initial resource is seen as a first step in defining a number of potential resources in the immediate Yeoval area which could be used to supply ore to a single processing plant. Augur Resources is currently targeting the Crown prospect which is an area approximately 280m south east of the Yeoval deposit. Follow up drilling is planned, after the initial two holes were extremely encouraging. As an example, hole YA019 at Crown prospect intersected 16m at 0.53% copper and 0.48 g/t gold and a further 16m at 0.72% copper and 0.84 g/t gold. This area is under a shallow layer of cover material and this discovery highlights the very high potential that exists within the Yeoval tenement.

The initial inferred resource calculation for Homeville covers less than a third of the associated 4600m long magnetic anomaly. The current resource is one of the highest grade nickel deposits over 10Mt in eastern Australia. While the probability of increasing the resource is considered very high, Augur Resources is currently focused on defining cost effective options for extracting the nickel, cobalt and scandium from the deposit.

Augur Resources continued to develop a pipeline of projects during the year with a particular current focus on gold and copper. During the year Augur Resources released exciting soil gold results from its Lightning gold project. Drill targeting the soil anomalies is planned for late 2009. Drill targets have also been defined at Yeoval, Goodrich, Goodrich South and Weelah.

Again, thank you for your support. We have plenty to do to maximise the value of your Company and I can assure you that we will continue to work towards achieving those goals as we build a sustainable mineral mining Company.

A handwritten signature in black ink, appearing to read 'G Kensington'.

Grant Kensington

Managing Director

Dated this 15th day of September 2009

OPERATIONS OVERVIEW

Augur Resources has JORC compliant resources covering a copper-gold-molybdenum deposit at Yeoval and a nickel-cobalt deposit at Homeville. Both deposits are 100% owned by Augur Resources.

Our expert team continues to progress these exciting deposits towards development as well as continuing to advance a number of advanced gold and copper-gold prospects, within central and western New South Wales.

Augur's strategy remains focussed on identifying and advancing economic mineral deposits within the Lachlan Fold Belt. All projects are adjacent to, or within, a short distance of transport, energy, water and population centres. Having significant deposits near suitable infrastructure is likely to have a favourable impact on the economics of developing projects.



FIGURE 1: AUGUR RESOURCES LTD - TENEMENTS.

Yeoval - EL 6311

100% Augur Resources

Targets: Copper-gold and Gold porphyry and epithermal deposits

The Yeoval tenement covers an area of 147km² and has potential for a Cadia-Ridgeway or North Parkes style of porphyry copper-gold ± molybdenum mineralisation, epithermal gold ± silver mineralisation and magnetite rich copper-gold mineralisation. The primary areas of focus are the Yeoval Mine prospect, Goodrich prospect, Goodrich South and nine further targets which are being systematically explored.

The Yeoval project area hosts numerous near surface copper ± gold occurrences and several small historical mines, within altered Naringla Granodiorite of the Yeoval complex. Prior exploration has targeted shallow outcropping mineralisation. Significant potential exists in areas of shallow alluvial cover.

OPERATIONS OVERVIEW (cont.)

Following on from the successful 2007/08 and 2008/09 drill programs, Augur Resources completed the initial Inferred JORC Resource Estimate for the Yeoval copper-gold-molybdenum-silver deposit. A summary of the Inferred Resource Estimate is provided in Table 1.

Tonnes	Copper %	Gold g/t	Molybdenum ppm	Silver g/t	Copper Cut-off Grade %
15,921,144	0.34	0.13	115.3	1.97	0.1
12,881,322	0.38	0.14	120.1	2.20	0.2
9,878,274	0.42	0.15	129.0	2.47	0.25
7,317,540	0.48	0.17	140.9	2.75	0.3
4,522,662	0.56	0.19	161.8	3.26	0.4
2,515,428	0.65	0.22	192.3	3.83	0.5
476,604	0.88	0.26	285.3	5.25	0.75

TABLE 1: SUMMARY OF THE JORC INFERRERD RESOURCE FOR THE YEOVAL COPPER-GOLD-MOLYBDENUM-SILVER DEPOSIT, YEOVAL, NEW SOUTH WALES, AUSTRALIA.

Augur commissioned an independent expert, Frederickson Geological Solutions Pty Ltd (FGS), to undertake the study. The resource estimation of the Yeoval copper-gold-molybdenum-silver porphyry deposit was based on a total of 45 drill holes comprising a total of 8112m of diamond drill core and RC chips collected from recent Augur Resources drilling and from previous tenement holders.

The current resource estimate for the Yeoval deposit includes three mineralised bodies. The majority of the mineralisation exists within two near surface vertical pipe like porphyry bodies (Stirling and Sovereign porphyries). Drilling has not closed off the down dip extension of either of these bodies. The Stirling porphyry is a copper-silver body with chalcopyrite as the main copper mineral. The Stirling porphyry is enriched in copper-gold-molybdenum-silver body and is open to the east, north and south. The main copper mineralisation is a combination of bornite and chalcopyrite.

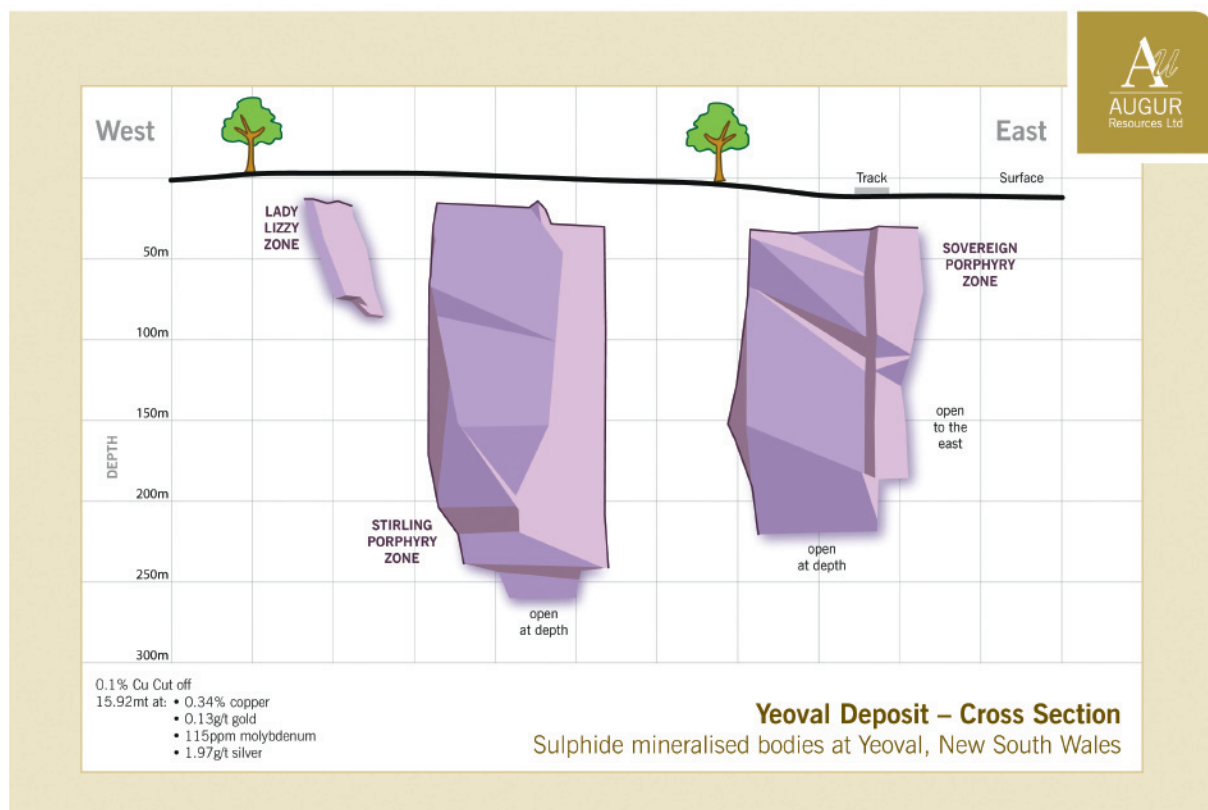


FIGURE 2: YEOVAL DEPOSIT - CROSS SECTION.

OPERATIONS OVERVIEW (cont.)

The third mineralised body used in the resource estimate relates to sulphide mineralisation sitting below the previously mined oxide portion of the Lady Lizzie deposit. This body is interpreted as a fault/shear hosted body.

The top of the mineralisation is very near surface for all three bodies with the top of the sulphide mineralisation generally less than 15m.

The resource has been calculated on the sulphide portion of the deposit. The oxide component was not included in the resource estimation as it is believed to be limited in volume. In addition to the potential for increased tonnage and grade overall, FGS noted that the higher grade zones have not yet been fully defined by the current drilling density. There is potential for both greater tonnage and higher grade within the high grade mineralisation zones.

Augur is planning additional drilling at Yeoval to test for further copper-gold mineralisation to the eastern extents of the Sovereign deposit.

Following on from the 2007/08 drill program, Augur completed a further 360m of diamond drilling at Yeoval during 2008/09. Drilling of this portion of the program was primarily centred on an area 280m southeast of the Yeoval Mine prospect. This area is called the Crown prospect. Holes YA017 and YA019 were drilled at the Crown prospect to test a coincident geochemical and geophysical anomaly.

The drilling on the Crown prospect was an outstanding success with results confirming the existence of further mineralisation southeast of the known deposits at Yeoval. This area is under shallow cover and while some historical geochemical sampling indicated an area of interest, limited exploration has been completed in this area. The Crown prospect will be an area of focus of exploration during 2009/10.

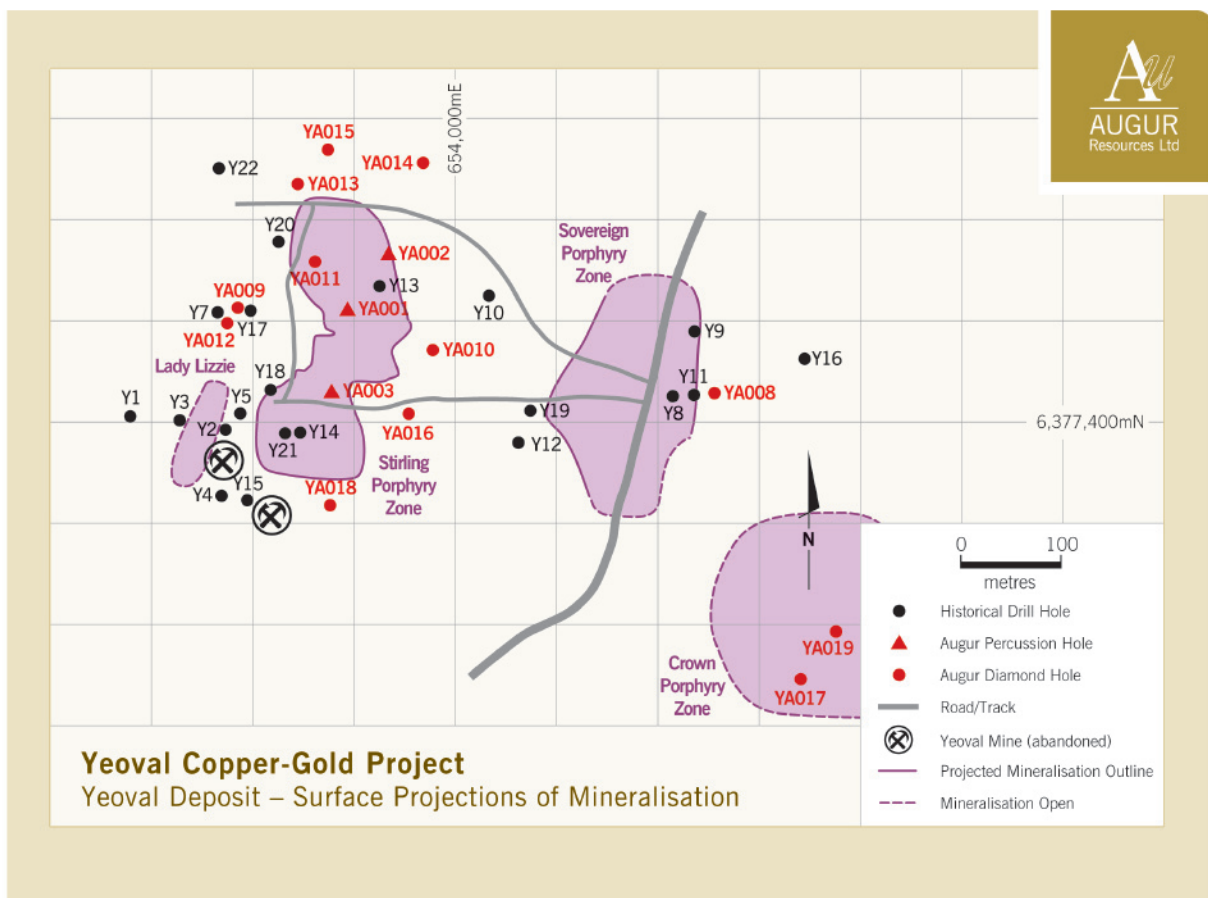


FIGURE 3: PLAN VIEW OF THE PROJECTED LOCATION OF THE MINERALISED BODIES OF THE YEOVAL COPPER-GOLD-MOLYBDENUM-SILVER DEPOSIT, AT YEOVAL, CENTRAL NEW SOUTH WALES, AUSTRALIA.

OPERATIONS OVERVIEW (cont.)

A summary of the drill results from the Crown prospect, included:

Hole	From	Width (m)	Cu (%)	Au (g/t)	Ag (g/t)
YA017	3	32	0.16	0.3	1.7
And	50	245	0.11	0.12	0.8
YA019	52	16	0.53	0.48	4.7
Inc.	61	6	1.10	1.06	11.3
And	92	16	0.72	0.84	3.7
Inc.	94	6	1.18	1.52	8.4

TABLE 2. SUMMARY OF SIGNIFICANT RESULTS FROM DRILLING DURING 2007/08 AT THE CROWN PROSPECT.

A reinterpretation of Sub-Audio Magnetic data (SAM) collected during 2007 has highlighted the possibility of further mineralisation approximately 900m south-west of the Yeoval mine deposits. This area is under shallow cover material and has undergone limited modern exploration.

Augur's work to date highlights that the Yeoval district can be regarded as "under-explored" and Augur will continue to aim to advance prospects within the Yeoval district to JORC compliant resources and ultimately to operating mines.

Goodrich – ML811

100% Augur Resources

Targets: Gold-copper and Gold porphyry deposit; Structurally controlled Gold deposit

The Goodrich mining lease (ML 811) is located within the Yeoval exploration tenement. The Goodrich gold-copper mineralisation is complex, with mineralisation at the Goodrich mine dumps and in core indicating that multiple phases of mineralisation occurred.

A review of previous drilling and exploration at the Goodrich mine site highlighted the possibility of deeper disseminated porphyry mineralisation at Goodrich. Evenly distributed disseminated chalcopyrite identified in core is highly encouraging and supports giving priority to this prospect.

Augur undertook a gravity survey covering the Goodrich mining lease. The survey highlighted areas of interest which are modelled to be vertical bodies near or coincident with known mineralisation from drilling. Augur is planning to drill test these targets in conjunction with drill testing below the Goodrich mine for deep disseminated gold-copper mineralisation.

In addition, Augur Resources collected a number of deep soil samples around the Goodrich pit to aid in drill-hole location and to further our understanding of the geochemical signature of the soils above the mineralisation. A large proportion of the samples were anomalous in gold and copper. More significantly, a number of samples were anomalous for platinum (up to 0.24 g/t platinum) and palladium (up to 0.56g/t palladium). Historically, no testing of platinum and palladium has been undertaken at Goodrich. The potential for platinum and palladium at Goodrich will be explored during future drill programs.

OPERATIONS OVERVIEW (cont.)

Collerina EL 6336

100% Augur Resources

Targets: Nickel-cobalt laterite deposits, Copper-gold sulphide deposits and vein related Gold deposits

The Collerina project consists to two tenements located 40km south of Nyngan in central NSW, covering an area of 384km² within the Fifield Platinum Province. Deposits close to the tenement include the Syerston (80 Mt 0.7% nickel, 0.13% cobalt) Tritton (copper-gold), Budgery (copper-gold) and Tottenham (copper) mines.

Homeville Deposit

During the year Augur Resources announced the discovery of the Homeville nickel-cobalt deposit within the Collerina tenement. The JORC compliant Inferred Resource for the Homeville deposit has been estimated as 12.22Mt at 0.91% nickel and 0.06% cobalt based on a cut-off of 0.7% nickel (Table 3).

Tonnes	Nickel %	Cobalt %	Iron %	Magnesium %	Aluminium %	Nickel Cut-off Grade %
16,800,000	0.81	0.06	20.8	3.6	2.4	0.5
12,200,000	0.91	0.06	20.2	4.1	2.3	0.7
3,600,000	1.11	0.05	18.4	4.9	2.2	1.0

TABLE 3: SUMMARY OF THE INFERRED RESOURCE FOR THE HOMEVILLE NICKEL-COBALT DEPOSIT, NYNGAN, NEW SOUTH WALES, AUSTRALIA.

Augur Resources commissioned Hellman and Schofield Pty Ltd (Hellman and Schofield) to undertake an independent resource estimation of the Homeville nickel-cobalt laterite deposit.

The mineralisation used in the resource estimation covers a 1300m long section of a 4600m linear magnetic high. The magnetic high is associated with ultramafic serpentinite. The average width of mineralisation is 150m. The average depth to mineralisation is approximately 10m and the average true thickness is 30m. Mineralisation extends to the surface in a number of areas.

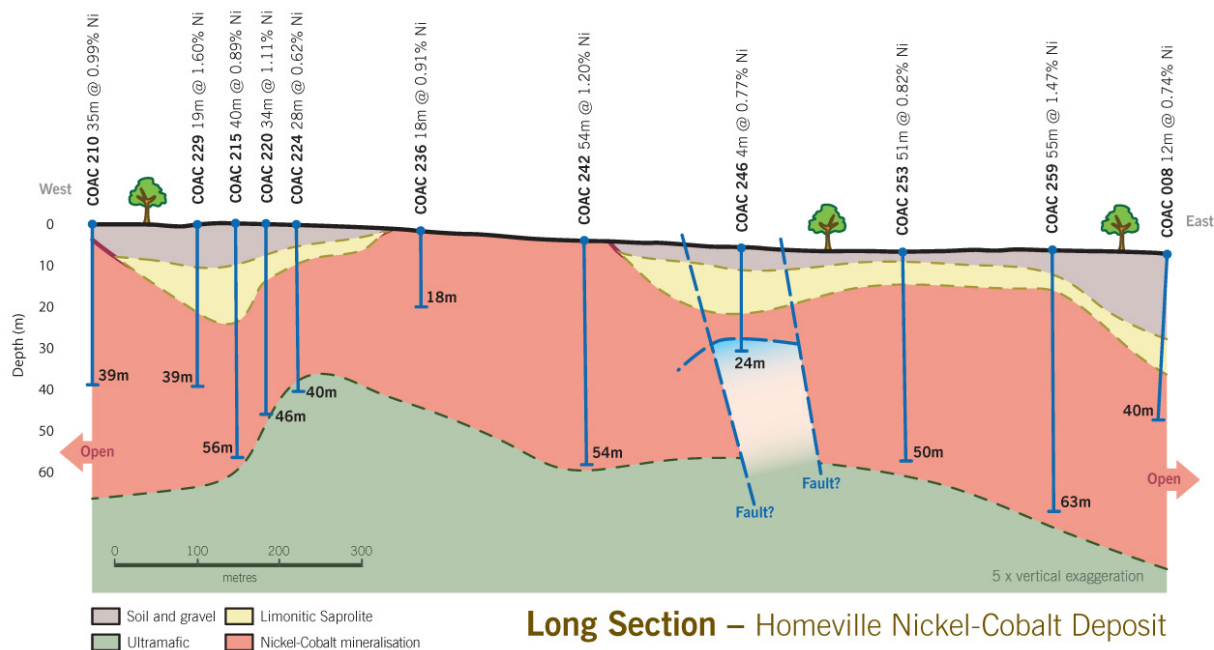


FIGURE 4: HOMEVILLE NICKEL-COBALT DEPOSIT.

OPERATIONS OVERVIEW (cont.)

Potential exists to significantly increase this resource. Hellman and Schofield note that 27 of the 43 holes drilled to date ended in nickel grades exceeding 0.5% and that the average grade in the last intervals of these 27 holes is 1.00% nickel. This indicates that there is potential below the currently defined resource for additional resource. In addition, mineralisation may extend beyond the current 1300m used in the resource estimate. This is supported by results from three holes some 660m west of the resource, which had comparable grades to those used in the estimated resource.

Augur Resources commenced initial metallurgical testing of the nickel-cobalt mineralisation at Homeville. Testing was undertaken on a composite saprolite sample and a composite ultramafic sample. The samples were not beneficiated. Bottle roll testing over 63 days indicated that recoveries of nickel (82.9% recovery), cobalt (89.9% recovery), magnesium (83.7% recovery) and iron (58.8% recovery) were very favourable for the ultramafic, however recoveries from the saprolite were not regarded as favourable. Acid consumption for each sample was regarded as high.

Further short period (2 hour) leach testing indicated that recoveries of nickel and cobalt could be increased by increasing the temperature for both the saprolite and ultramafic and/or by using sulphide dioxide as a reagent during the leaching process.

This information is being used for developing further metallurgical test work which focuses on reducing acid consumption and increasing the recovery of nickel in the saprolite.



COLLERINA.

Other Collerina Prospects

The Collerina project contains several additional advanced prospects including Yathella (nickel-cobalt), Swanson's Trouble (gold), C1 (scandium, platinum nickel-cobalt), Widgelands (copper) and Collerina Mine (copper).

Yathella prospect is located approximately 3 km from the Homeville deposit. Significant historical exploration has identified shallow nickel and cobalt mineralisation at Yathella. It is envisaged that the mineralisation at Yathella will provide additional resource to the Homeville deposit if developed.

OPERATIONS OVERVIEW (cont.)

Swanson's Trouble prospect covers an area of historical gold mining. The prospect has high grade gold associated with extensive quartz veining in volcanic host rock. Augur plans to undertake an induced polarisation survey at Swanson's Trouble to define the possible lateral and depth extent of mineralisation.

The C1 prospect was identified by Augur Resources during drilling in 2006. A total of two drill holes have been drilled. Holes COAC033 and COAC034 intersected broad zones of anomalous scandium, palladium, nickel, cobalt and chromium. Results for COAC033 included 28m at 170ppm scandium and COAC034 included 44m at 100ppm scandium and 44m of 0.22ppm platinum.

The Widgelelands and Collierina Mine prospects are both highly prospective for copper-gold mineralisation. Both prospects remain untested for deep large sulphide copper deposits. Augur will utilise geophysical techniques to define drill targets at these prospects.

Tullamore – EL 6312 and EL 7337

100% Augur Resources

Targets: Copper-gold and Gold porphyry and epithermal deposits

The Tullamore tenement is located 20kms north of the largest historical platinum producing region in Australia, at Fifield and it embraces two areas of gold mineralisation within volcanics/metasediments. These are the Tullamore Goldfield and the Burra Gold-tin-platinum field both associated with buried, near-surface intrusions.

Two advanced prospects exist within the Tullamore tenement, namely Lightning Gold project and Chert Ridge.

The Lightning Gold Project (LGP) covers a number of historical gold workings, including the Lightning and Tullamore gold mines. Previous explorers had identified a number of drill targets, with BHP drilling two of the targets. Rock chip sampling and systematic soil sampling undertaken by Augur Resources identified a large gold-arsenic anomaly along strike of the Lightning gold mine.



LIGHTNING GOLD PROSPECT.

OPERATIONS OVERVIEW (cont.)

The anomaly has a strike length of approximately 525m and a width of up to 200m. Values up to 8230ppb gold were recorded. Additional anomalies were identified at Hail and Ryan's prospects.

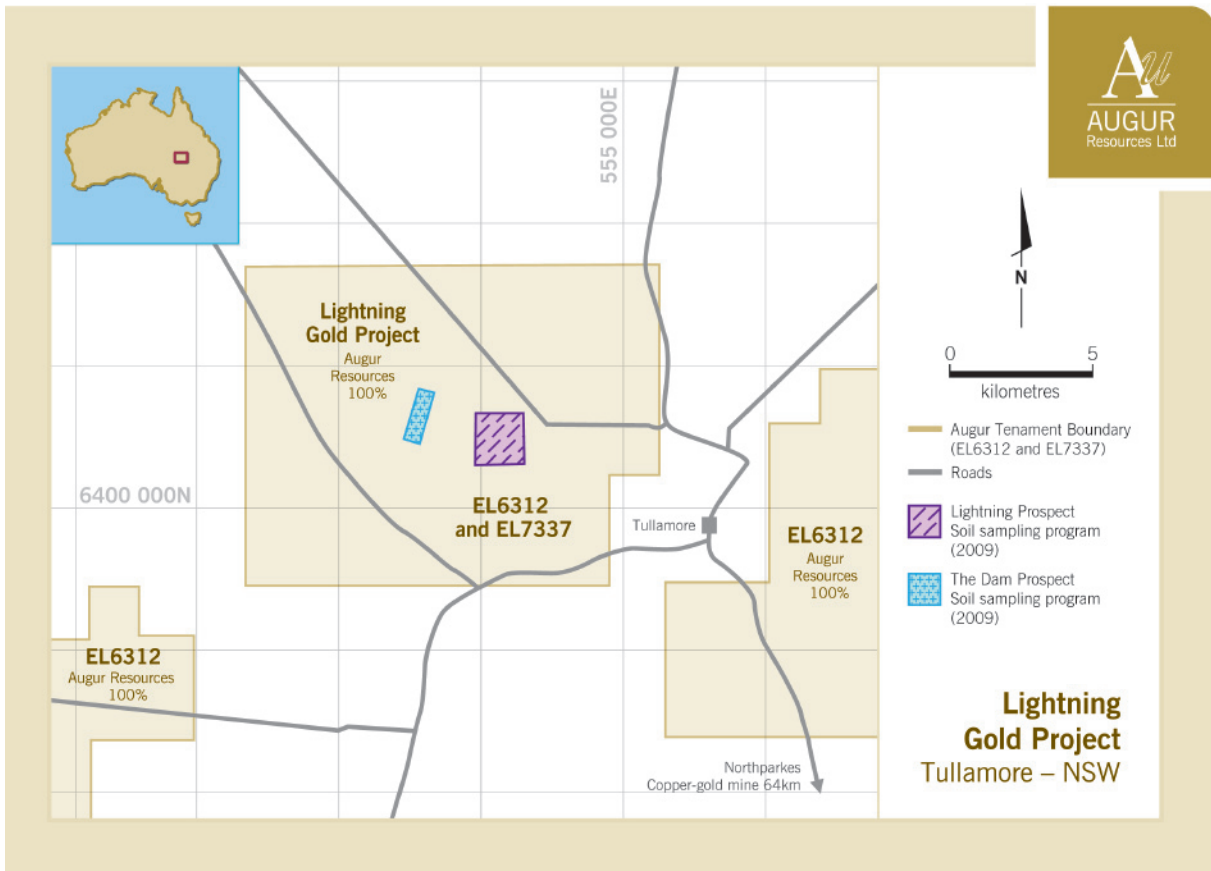


FIGURE 5: MAP OF LIGHTNING GOLD PROSPECT.

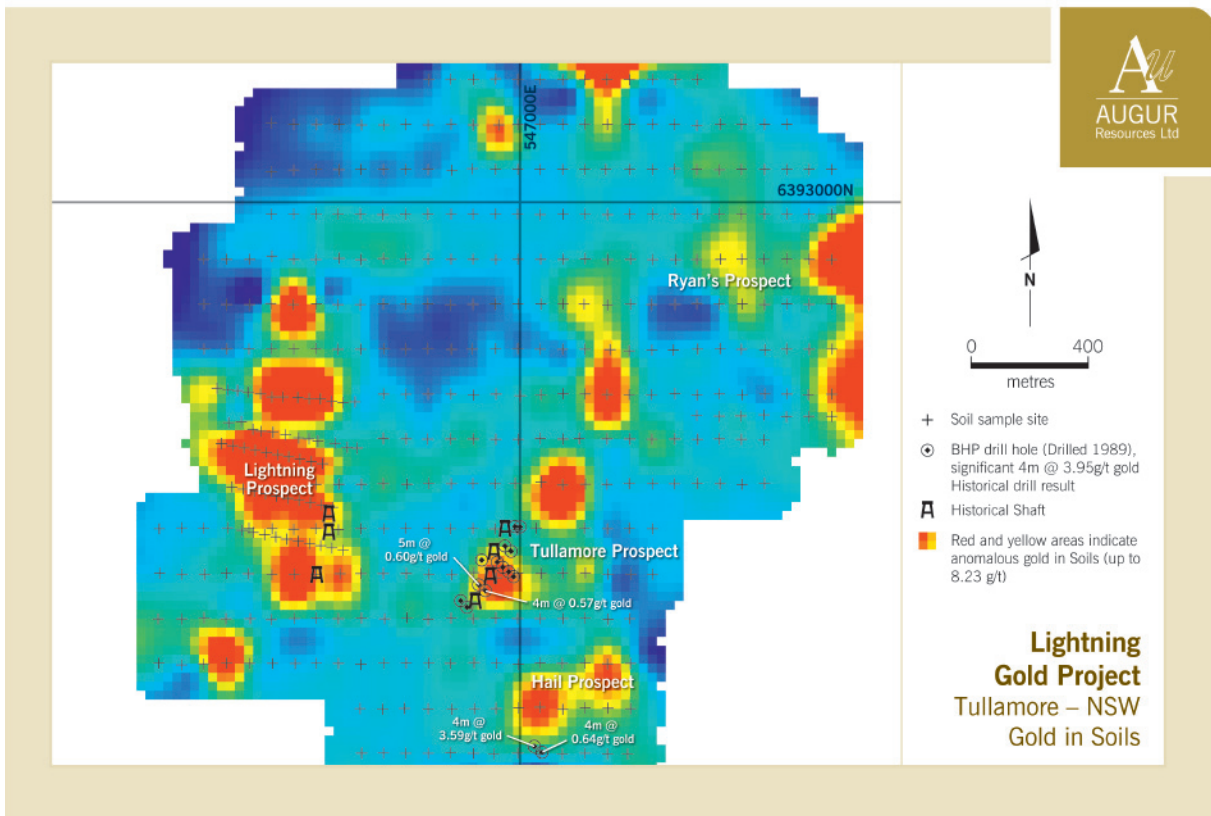


FIGURE 6: LIGHTNING GOLD PROSPECT - GOLD IN SOILS.

OPERATIONS OVERVIEW (cont.)

Within the LGP, rock chip results of over 11 g/t gold have been recorded, both from BHP samples and from Augur samples (sampled from different prospects).

Augur has planned to drill test the Lightning soil anomalies during the second half of 2009.

Chert Ridge has previously been explored by Shell during the early 1980's, who identified several copper, silver and gold surface geochemical anomalous zones.

Shell conducted a shallow RAB drill program to the north of the geochemical anomalous zone targeting an aeromagnetic target. Petrology from two of the holes near the geochemical anomalous zones intersected porphyry intrusive rocks. Shell did not appear to have followed up on the possibility of a deep mineralised porphyry at Chert Ridge itself.



SOIL SAMPLING.

Weelah – EL 6309

100% Augur Resources

Targets: Copper-gold and Gold porphyry; Gold +/- Silver epithermal deposits

The Weelah tenement (150km²) is situated on the Cowal Volcanics and a splay of the “Gilmore Suture” a focus for gold projects in the Lachlan Fold Belt. The Cowal Gold Mine (4,000,000 ounces) owned by Barrick Gold Corporation (the world's largest gold mining Company), shares its perimeter with Augur's Weelah tenement.

Drilling by Augur has identified intrusive porphyritic rocks which are targets for copper-gold porphyry mineralisation similar to that at Cadia and North Parkes.

Based on chip samples from the drilling, Ordovician age intermediate volcanics and limy volcanic sediments similar to those at the adjacent world class Cowal Gold Mine were identified. The rocks included limestone, chloritised sericitised monzonite, altered mafics and carbonate breccias with scattered fine sulphides.

Airborne magnetic targets have been prioritised and systematic exploration of each of these targets is currently underway.

OPERATIONS OVERVIEW (cont.)

Wallaby Rocks EL 6310

100% Augur Resources

Targets: Epithermal gold and structurally related gold deposits

On Augur's Wallaby Rocks tenement (51km²) SE of Mudgee, rocks of similar age and type to the gold producing regions at Sofala and Cadia out crop. Of particular interest on this E.L are the acid volcanics which contain a number of previously worked gold mines, including Mt Margaret Mine (where an ore dump sample gave 37.2 g/t gold), Prince Mine (where a dump sample gave 39.7 g/t gold) and Crown Mine (where previous production gave 4.6 g/t gold).

Augur continues to focus on potential gold-silver mineralisation around epithermal alteration at Open Range prospect. Further work in this area is warranted to fully determine the extent of alteration in the area.

Large areas of anomalous zinc – lead – silver values have been delineated by stream sediment soil and rock samples collected by the Company's geologists. This E.L, adjacent to Bowdens' silver-zinc-lead deposit to the NE, has the potential for host a base metal deposit similar to that of Bowden's.

Augur will undertake further detailed geochemical sampling in the vicinity of Mt Margaret and Open Range prospects.

Current Tenements – Augur Resources

Name	Number	Expiry day	Mineral
Weelah	EL 6309	26 September 2010	Copper, Gold
Wallaby Rock	EL 6310	26 September 2010	Gold
Yeoval	EL 6311	26 September 2010	Copper, Gold, Molybdenum, Silver
Tullamore	EL 6312	26 September 2010	Gold, Copper
Collerina	EL 6336	31 October 2010	Copper, Gold, Nickel, Cobalt
Five Ways	EL 7227	21 October 2010	Nickel, Cobalt
Cavendish	EL 7337	4 May 2011	Gold
Goodrich	ML 811	4 March 2021	Copper, Gold, Molybdenum, Silver

TABLE 4: CURRENT TENEMENTS.

CORPORATE GOVERNANCE

The role and responsibilities of the Board of Directors is for the overall Corporate Governance of the Company and oversight of management, protecting the rights and interests of the shareholders, by adopting systems of control and managed risk as the basis for the administration.

CORPORATE GOVERNANCE STATEMENT

The Board is committed to maintaining the highest standards of Corporate Governance. Corporate Governance is about having a set of core values and behaviours that underpin the Company's activities and ensure transparency, fair dealing and protection of the interests of stakeholders.

The Board of Directors supports the Principles of Good Corporate Governance and Best Practice Recommendations developed by the ASX Corporate Governance Council (Council). Whilst the Company's practices are largely consistent with the Council's guidelines, the Board considers that the implementation of some recommendations are not appropriate having regard to the nature and scale of the Company's activities and size of the Board. The Board uses its best endeavours to ensure exceptions to the Council's guidelines do not have a negative impact on the Company and the best interests of shareholders as a whole. When Augur is not able to implement one of the Council's recommendations the Company applies the "if not, why not" explanation approach by applying practices in accordance with the spirit of the relevant principle.

The following discussion outlines the ASX Corporate Governance Council's eight principles and associated recommendations and the extent to which the Company complies with those recommendations.

Details of all of the Council's recommendations can be found on the ASX website at <http://www.asx.com.au>

Principle 1 – Lay solid foundations for management and oversight.

Recommendation 1.1: Companies should establish the functions reserved to the board and those delegated to Senior Executives and disclose those functions.

The Company has adopted the recommendation to disclose the functions reserved to the Board and those delegated to Senior Executives in the content of every new Director and Senior Executive letter of appointment.

BOARD OF DIRECTORS – ROLE AND RESPONSIBILITIES

In general, the Board is responsible for, and has the authority to determine, all matters relating to the policies, practices, management and operations of the Company. The Board is also responsible for the overall corporate governance and management oversight of the Company, and recognises the need for the highest standards of behaviour and accountability in acting in the best interests of the Company as a whole.

The Board also ensures that the Company complies with all of its contractual, statutory and any other legal or regulatory obligations. The Board has the final responsibility for the successful operations of the Company.

Where the Board considers that particular expertise or information is required, which is not available from within their members, appropriate external advice may be taken and reviewed prior to a final decision being made by the Board.

Without intending to limit the general role of the Board, the principal functions and responsibilities of the Board include the following:

- formulation and approval of the strategic direction, objectives and goals of the Company;
- the prudential control of the Company's finances and operations and monitoring the financial performance of the Company;
- the resourcing, review and monitoring of Executive Management;

BOARD OF DIRECTORS – ROLE AND RESPONSIBILITIES (cont.)

- ensuring that adequate internal control systems and procedures exist and that compliance with these systems and procedures is maintained;
- the identification of significant business risks and ensuring that such risks are adequately managed;
- the timeliness, accuracy and effectiveness of communications and reporting to Shareholders and the market; and
- the establishment and maintenance of appropriate ethical standards.

Recommendation 1.2: Companies should disclose the process for evaluating the performance of Senior Executives.

The Company has adopted the recommendation of evaluating the performance of Senior Executives.

The Board review at least once a year the performance of its Senior Executives. Face to face performance reviews are conducted between each Senior Executive and their supervisor.

Augur Resources has taken the appropriate measure to provide each Director and Senior Executive with a copy of the Company's policies which spells out the rights, duties and responsibilities that they should follow.

Recommendation 1.3: Companies should provide the information indicated in the Guide to reporting on Principle 1.

The performance evaluation for the Managing Director was conducted on the process described in Recommendation 1.2, No other evaluation was carried out.

Principle 2 – Structure the board to add value.

BOARD OF DIRECTORS - COMPOSITION, STRUCTURE AND PROCESS

The Board's has been formed so that it has effective composition, size and commitment to adequately discharge its responsibilities and duties given the Company's current size and the scale and nature of its activities.

Recommendation 2.1: A majority of the board should be independent Directors.

INDEPENDENT DIRECTORS

The Board is currently considering its structure with regards to Recommendation 2.1 for the financial year 2009 – 2010.

It is the Board's opinion that all Directors bring to the Board their independent judgement irrespective if they are independent or not.

REGULAR ASSESSMENT OF INDEPENDENCE

An independent Director, in the view of the Company, is a Non-Executive Director who:

1. is not a substantial Shareholder of the Company or an officer of, or otherwise associated directly with, a substantial Shareholder of the Company;
2. within the last three years has not been employed in an Executive capacity by the Company, or been a Director after ceasing to hold any such employment;
3. within the last three years has not been a principal of a material professional advisor or a material consultant to the Company, or an employee materially associated with a service provider;
4. is not a material supplier or customer of the Company, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
5. has no material contractual relationship with the Company other than as a Director of the Company;

REGULAR ASSESSMENT OF INDEPENDENCE (cont.)

6. has not served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company;
7. is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company.

The composition of the Board will be reviewed periodically with regards to the optimum number and skills of Directors required for the Board to properly perform its responsibilities and functions.

CHAIRMAN AND MANAGING DIRECTOR

Recommendation 2.2: The Chair should be an Independent Director.

During the year the office of Chair was held by Mr. Peter Bradfield an independent Non-Executive Director.

Recommendation 2.3: The roles of Chair and Chief Executive Officer should not be exercised by the same individual.

The Chairman leads the Board and has responsibility for ensuring the Board receives accurate, timely and clear information to enable Directors to perform their duties as a Board. Mr Bradfield held the office of Non-Executive chairman of the Company and is considered to be an Independent Director.

The Managing Director is responsible and accountable to the Board for the Company's management. Mr Grant Kensington has been appointed Managing Director of the Company and performs the role of Chief Executive Officer.

BOARD NOMINATIONS

Recommendation 2.4: The Board should establish a nomination committee.

The Board has established a Remuneration and Nomination Committee. The Committee considers nominations for the appointment or election of Directors that may arise from time to time having regard to the corporate and governance skills required by the Company and procedures outlined in the Constitution and the Corporations Act.

The Remuneration and Nomination Committee is appointed by the Board.

The responsibilities assumed by the Remuneration and Nomination Committee include:

- Board and Senior Executive functions.
- Board Composition.
- Number of Board members.
- Criteria for nomination of Directors.
- Selection and appointment of the Chairperson.
- Selection and appointment of the Secretary.
- Determine the frequency of meetings of the committee.
- Seek professional advice when required.
- Responsibilities of the committee.
- Oversight of Board and Executive succession plans.

Due to the small size of the Board and with the departure of Mr. Peter Bradfield effective close of business 30 June 2009 the Board passed a resolution to reduce the membership of the Remuneration and Nomination Committee from 3 members to 2 members.

The members of the remuneration and nomination committee at 30 June 2009 were:

- Mr. Peter Bradfield
- Mr. Fye Hong

PERFORMANCE REVIEW AND EVALUATION

Recommendation 2.5: Companies should disclose the process for evaluating the performance of the Board, its committees and individual Directors.

It is the policy of the Board to ensure that the Directors and Executives of the Company are equipped with the knowledge and information they need to discharge their responsibilities effectively, and that individual and collective performance is regularly and fairly reviewed. Although the Company is not of a size to warrant the development of formal processes for evaluating the performance of its Board, individual Directors and Executives, there is on-going monitoring by the Chairperson and the Board. The Chairperson also speaks to Directors individually regarding their role as a Director.

INDUCTION AND EDUCATION

The Company has the policy to provide each new Director or officer with a copy of the following documents:

- Audit and Risk Committee Charter
- Remuneration and Nomination Committee Charter
- Code of Conduct
- Continuous Disclosure Policy
- Share Trading Policy
- Shareholders Communication Policy

ACCESS TO INFORMATION

Each Director has signed a deed of access agreement that provide Directors with access to Board papers and all relevant documentation.

Recommendation 2.6: Companies should provide the information indicated in the Guide to reporting principle 2.

SKILLS KNOWLEDGE AND EXPERIENCE

Directors are appointed based on the specific corporate and governance skills and experience required by the Company. The Board consists of a relevant blend of personal experience in accounting and finance, law, financial and investment markets, financial management and public Company administration, and, Director-level business or corporate experience required by the Company.

INDEPENDENT DIRECTORS

The Company consider that at the 30 June 2009, Mr. Peter Bradfield was the only Independent Director.

PROFESSIONAL ADVICE

Board members with the approval of the Chairperson may seek from time to time external professional advice.

PERIOD OF OFFICE HELD BY EACH DIRECTOR

- Mr Grant Kensington since February 2008
- Mr. Shinji Yamamoto since April 2009
- Mr. Fye Hong since April 2009
- Mr. Peter John Bradfield (Resigned at closing of business 30 June 2009)

TERMS OF APPOINTMENT AS A DIRECTOR

The current Directors of the Company have been appointed for 24 months. The Constitution of the Company provides that a Director other than the Managing Director may not retain office for more than three calendar years or beyond the third annual general meeting following his or her election, whichever is longer, without submitting himself or herself for re-election. One third of the Directors (excluding the Managing Director) must retire each year and are eligible for re-election. The Directors who retire by rotation at each annual general meeting are those with the longest length of time in office since their appointment or last election.

MEETINGS OF THE REMUNERATION AND NOMINATION COMMITTEE

The Directors Report provides the name of the committee members during the year and their attendance.

Principle 3 – Promote ethical and responsible decision making.

Recommendation 3.1: Companies should establish a code of conduct and disclose the code or a summary of the code:

CODE OF CONDUCT AND ETHICAL STANDARDS

The Company has adopted a formal code of conduct that guides compliance with all levels of legal and other obligations to stakeholders. The Code is focused on ensuring that all Directors, Executives, and Employees act with the utmost integrity and objectivity in carrying out their duties and responsibilities, striving at all times to enhance the reputation and performance of the Company.

The code of conduct outlines:

- The practices necessary to maintain confidence in the Company's integrity;
- The practices necessary to take into account legal obligations and reasonable expectations of stakeholders; and
- The responsibility and accountability of individuals for reporting and investigating reports of unethical practices.

ACCESS TO COMPANY INFORMATION AND CONFIDENTIALITY

All Directors have the right of access to all relevant Company books and to the Company's Executive Management. In accordance with legal requirements and agreed ethical standards, Directors and Executives of the Company have agreed to keep confidential information received in the course of exercising their duties and will not disclose non-public information except where disclosure is authorised or legally mandated.

SHARE DEALINGS AND DISCLOSURES

Recommendation 3.2: Companies should establish a policy concerning trading in Company securities by Directors, Senior Executives and employees, and disclose the policy or a summary of that policy:

The Company has established a policy relating to the trading of Company Securities. The Company's Share is set by the Board. The Board restricts Directors, Executives and employees from acting on material information until it has been released to the market and adequate time has been given for this to be reflected in the security's prices. Executives, employees and Directors are required to consult the Chairman and the Board respectively, prior to dealing in securities in the Company or other companies in which the Company has a relationship.

Share trading by Directors, Executives or employees is not permitted at any time whilst in the possession of price sensitive information not already available to the market. In addition, the Corporations Act prohibits the purchase or sale of securities whilst a person is in possession of inside information.

CONFLICT OF INTEREST

To ensure that Directors are at all times acting in the best interests of the Company, Directors must:

1. disclose to the Board actual or potential conflicts of interest that may or might reasonably be thought to exist between the interests of the Director and the interests of any other parties in carrying out the activities of the Company; and
2. if requested by the Board, within seven days or such further period as may be permitted, take such necessary and reasonable steps to remove any conflict of interest.

If a Director cannot, or is unwilling to remove a conflict of interest then the Director must, as required by the Corporations Act, absent himself from the room when Board discussion and/or voting occurs on matters about which the conflict relates.

RELATED PARTY TRANSACTIONS

Related party transactions include any financial transaction between a Director and the Company as defined in the Corporations Act or the ASX Listing Rules. Unless there is an exemption under the Corporations Act from the requirement to obtain Shareholder approval for the related party transaction, the Board cannot approve the transaction. The Company also discloses related party transactions in its financial report as required under relevant Accounting Standards.

DIRECTORS' DEEDS

The Company has entered into a Deed of Indemnity and Access with each of the Directors to regulate certain matters between the Company and each Director, both during the time the Director holds office and after the Director ceases to be an officer of the Company (or wholly-owned subsidiaries).

PUBLIC AVAILABLE INFORMATION

Recommendation 3.3: Provide the information indicated in the Guide to reporting principle 3.

The Company has adopted the recommendation and made publicly available on the Company's website www.augur.com.au the code of conduct and share trading policy clearly marked in the corporate governance section.

Principle 4 – Safeguard integrity in financial reporting.

The Company has adopted this recommendation from its incorporation.

Recommendation 4.1: The board should establish an audit committee.

AUDIT AND RISK COMMITTEE

The Company has established an Audit and Risk Committee which has a corresponding charter. The objective of the Committee is to make recommendation to the Board regarding among various matters the adequacy of the external audit, risk management and compliance procedures. The Committee is asked to evaluate from time to time the effectiveness of the financial reports prepared for the Board meetings and to insure that an independent judgement is always exercised.

AUDIT AND RISK COMMITTEE (cont.)

Recommendation 4.2: The audit committee should be structured so that it:

- consist only of Non-Executive Directors;
- consist of a majority on Independent Directors;
- is chaired by an independent chair; who is not chair of the board; and
- has at least 3 members

At the time the annual report was prepared Augur's Board structure was not large enough to adopt recommendation 4.2 entirely.

The Board of Augur modified the Audit Committee structure from 3 members to 2 members. The present members are not Independent Directors.

The Board has taken under consideration the present Board structure and is considering how the structure of the Board could be aligned to meet recommendation 4.2

Recommendation 4.3: The audit committee should have a formal charter.

The Audit Committee has a formal charter setting out the followings:

- Duties and Responsibilities of the committee
- Complaints Procedures
- Composition of the audit committee
- Structure of the audit committee
- Number of Meeting; and
- Membership Requirements

Recommendation 4.4: Provide the information indicated in the Guide to reporting principle 4.

The members of the Audit Committee at 30 June 2009 were:

- Mr. Peter John Bradfield – LLB, FAICD
- Mr. Fye Hong – Honours graduate in Building Architecture University of NSW.

The Audit Committee had 4 meetings during the year with a quorum present at all meetings.

Principle 5 – Make timely and balanced disclosure.

Recommendation 5.1: Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a Senior Executive level for that compliance and disclose those policies or a summary of those policies.

CONTINUOUS DISCLOSURE TO THE ASX

The Board has a Continuous Disclosure Policy and has designated the Company Secretary as the person responsible for overseeing and coordinating disclosure of information to the ASX as well as communicating with the ASX. In accordance with the ASX Listing Rules, the Company will notify the ASX promptly of information:

1. concerning the Company, that a reasonable person would expect to have a material effect on the price or value of the Company's securities; and
2. that would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the Company's securities.

Recommendation 5.2: Provide the information indicated in Guide to reporting on Principle 5.

Augur has made publicly available on its website a summary of the Continuous Disclosure policy as required by Recommendation 5.2

Principle 6 – Respect the rights of Shareholders.

COMMUNICATIONS

Recommendations 6.1: Companies should design a communication policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy.

The Company has adopted a formal Shareholders Communication Policy that has been in place for this reporting period and made publicly available on the Company's website.

Recommendation 6.2: Provide the information indicated in Guide to reporting on Principle 6.

COMMUNICATION TO THE MARKET AND SHAREHOLDERS

The Board recognises its duty to ensure that its Shareholders are informed of all major developments affecting the Company's state of affairs and has adopted a Shareholder Communication Policy. The Policy provides that information will be communicated to Shareholders and the market through:

1. the Annual Report which is distributed to Shareholders (usually with the Notice of Annual General Meetings);
2. the Annual General Meeting and other general meetings called to obtain Shareholder approvals as appropriate;
3. the half-yearly Directors' and financial reports;
4. quarterly activities and cash flow reports; and
5. Other announcements released to the ASX as required under the continuous disclosure requirements of the ASX Listing Rules and other information that may be mailed to Shareholders.

The Company actively promotes communication with Shareholders through a variety of measures, including the use of the Company's website and email. The Company's reports and ASX announcements are made available website: www.augur.com.au and on the ASX website: www.asx.com.au under ASX code 'AUK'. The Company also maintains an email list for the distribution of the Company's announcements via email.

Principle 7 - Recognise and manage risk.

Recommendation 7.1: Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.

The Board is responsible for the identification, monitoring and management of significant business risks and the implementation of appropriate levels of internal control, recognising however that no cost effective internal control system will preclude all errors and irregularities. The Board regularly reviews and monitors areas of significant business risk.

Recommendation 7.2: The board should require management to design and implement the risk management and internal control system to manage the Company's material business risks and report to it on whether those risks are been managed effectively. The board should disclose that management has reported to it as to the effectiveness of the Company's management of its materials business risks.

INTERNAL CONTROL AND RISK MANAGEMENT

The primary vehicle for managing corporate risks is the Audit Committee appointed by the Board. The committee reviews systems of external and internal controls and areas of significant operational, financial and property risk and ensures arrangements are in place to contain such risks to acceptable levels.

Augur Resources audit committee reports to the Board on a continuous verbal basis on the effectiveness of the Company's management of its material business risks. In addition, the Company ensures that appropriate insurance policies are kept current to cover all potential risks and maintaining Directors' and officers' professional indemnity insurance.

INTERNAL AUDIT FUNCTION

The internal audit function is carried out by the Audit Committee, the Company does not have an internal audit department nor has an internal auditor. The size of Augur Resources does not warrant the need or the cost of appointing an internal auditor.

Recommendation 7.3: The board should disclose whether it has received assurance from the Chief Executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporation Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

The Company has adopted and complied with this recommendation as follows:

The Board has determined that the Managing Director and the Company Secretary are the appropriate persons to make the Chief Executive and CFO declarations in respect of the year ended 30 June 2009, as required under section 295A of the Corporations Act and recommended by the ASX Corporate Governance Council. The Board is also satisfied that the internal control system is operating effectively in all material respects.

Recommendation 7.4: Companies should provide the information indicated in the Guide to reporting on Principle 7.

The Company has adopted and complied with this recommendation as follows:

- The Board receives on a progress basis a verbal report regarding internal control and risk management;
- The Board has received the assurance from the Managing Director and Company Secretary;
- The Company does not have a written policy on risks oversight management of business material risks because the number of people engaged in the Company's operations is minimal; and
- Independent professional advice - subject to prior consultation with the Chairman, each Director has the right to seek independent legal and other professional advice at the Company's expense concerning any aspect of the Company's operations or undertakings in order to fulfil their duties and responsibilities as Directors.

Principle 8 – Remunerate fairly and responsibly.

Recommendation 8.1: The board should establish a remuneration committee.

REMUNERATION COMMITTEE CHARTER AND RESPONSIBILITIES

The Company has established a Remuneration & Nomination Committee and approved an appropriate charter. The role and responsibility of the Committee is to review and make recommendations to the Board in respect of:

- Executive Remuneration Policy;
- Executive Director and Senior Management Remuneration;
- Executive Incentive Plan;
- Non Executive Directors Remuneration;
- Performance Measurement Policies and Procedures;
- Termination Policies and Procedures;
- Equity Based Plans; and
- Required remuneration and remuneration benefits Public Disclosure.

The Board may also delegate additional functions to the Committee from time to time.

COMPOSITION OF THE REMUNERATION COMMITTEE

Augur Resources endeavours for the remuneration committee to be structured so that is made up of:

- only Non-Executive Directors;
- a majority of Independent Directors;
- an Independent Chairperson, who is not chairperson a chairperson of the board; and
- at least two members

The Company is unable to fully comply with recommendation 8.1 because of the current number of Board members.

REMUNERATION POLICY

The Directors remuneration is adopted by Shareholders at the Annual General Meeting. The salary and emoluments paid to officers are approved by the Board. Executive Officers and the Managing Director have entered into Service Agreements which do not exceed three years in duration (but are renewable). Consultants are engaged as required pursuant to service agreements. The Company ensure that fees, salaries and emoluments are in line with general standards for publicly listed companies of the size and type of the Company and that they are not excessive. All salaries of Directors and statutory officers are disclosed in the Annual Report of the Company each year.

Recommendation 8.2: Companies should clearly distinguish the structure of Non-Executive Directors' remuneration from that of Executive Directors and Senior Executives.

The Company has a policy to remunerate its Directors and officers based on a fixed and incentive component salary packages to reflect the short and long term objectives of the Company.

The salary component of the Managing Director's remuneration is made up of:

- Fixed remuneration;
- Performance based remuneration;
- Equity based remuneration when invited to participate by the Board in the Executive Share Option Plan of the Company; and
- Termination payment.

REMUNERATION POLICY (cont.)

The salary component of Non Executive Directors is made up of:

- Fixed remuneration; and
- Equity based remuneration when invited to participate by the Board on the Executive Share Option Plan of the Company.

Recommendation 8.3: Companies should provide the information indicated in the Guide to reporting on Principle 8.

- The Company discloses the name of Directors in the Remuneration Committee and the attendance of each Director to the Remuneration Committee meetings, within its Directors Reports.
- The Company does not provide any schemes for retirement benefits other than superannuation.
- The Company has made publicly available a summary of the Remuneration Committee charter on the Company's website.

DIRECTORS'REPORT

The Directors present their report on Augur Resources for the financial year ended 30 June 2009.

DIRECTORS

The names of the Directors in office at any time during or since the end of the financial year are:

Peter John Bradfield	Chairman (Resigned 30 June 2009)
Grant Kensington	Managing Director
Joshua Simon Rogers	Director (Resigned 23 April 2009)
Kimikazu Yoshioka	Director (Resigned 19 March 2009)
Tully Araluen Richards	Director (Resigned 31 October 2008)
Fye Cheong Hong	Director (Appointed 1 April 2009)
Shinji Yamamoto	Director (Appointed 1 April 2009)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

COMPANY SECRETARY

The Company Secretary in office during or since the end of the financial year is Marcelo Mora.

PRINCIPAL ACTIVITY

The principal activities of the Company during the financial year have been the continuing evaluation and exploration of minerals on its existing exploration tenements in the Lachlan fold Belt region of New South Wales.

The Company made two JORC compliant announcements to the market during the financial year. In August 2008 the Company announced a JORC compliant inferred resource estimate of 12.2 Mt at 0.91% nickel and 0.06% of cobalt for its Homeville deposit. In March 2009 the Company announced a JORC compliant inferred resources estimate of 12.9Mt at 0.8% copper 0.14 g/t gold, 120.1 ppm molybdenum and 2.20 g/t silver. No other significant changes in the nature of these activities occurred during the year.

OPERATING RESULTS

The Loss of the Company for the financial year after providing for income tax amounted to \$729,277 (2008 Loss: after tax \$811,531).

The Company has a sound financial position which is reflected in the balance sheet as at 30 June 2009. The Board strongly believes that the exploration program for the year ending June 2010 could be completed from the existing cash position to enhance the existing JORC resources. Additional capital will need to be raised within 18 months time to continue exploration beyond this period.

DIVIDENDS PAID OR RECOMMENDED

No dividends were paid or declared during the financial year. No recommendation for payment of dividends has been made.

REVIEW OF OPERATIONS

The Company holds seven Exploration Licence areas and one mining lease. All exploration tenements and the mining lease are located within the Lachlan Fold Belt region of New South Wales. Augur continued to explore and evaluate all its tenements during the year.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

On the 5th of June 2009 Augur Resources completed a share right issue of 53,055,979 ordinary shares and raised \$1,114,176 before costs of \$46,877 which reflects a 51.51% subscription to the offer. The Board of Augur Resources has 3 months to place the shortfall of the rights issue.

Augur Resources has used its cash to explore and develop its mineral tenements in the Lachlan Fold Belt region in New South Wales consistent with the Company's objectives. Augur Resources has no secured debts or charges over its assets.

AFTER BALANCE DATE EVENTS

During September 2009 the Company allotted 1,500,000 ordinary shares under the pro-rata share rights issue shortfall raising a further \$31,500. No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

FUTURE DEVELOPMENTS

Augur Resources will continue to enhance the JORC compliant resources at the Yeoval mine prospect and Homeville in Collierina. In addition, the Company will continue exploration at all tenements with the aim of identifying potential mineral resources.

ENVIRONMENTAL REGULATIONS

Augur Resources is subject to State and Federal environmental legislation. The Company has complied with its environmental obligations. No environmental breaches have been notified by any Government agency to the date of the Directors' Report and it does not anticipate any obstacles in complying with the legislation.

INFORMATION ON DIRECTORS

The information on Directors is as follows:



GRANT LEO KENSINGTON
MANAGING DIRECTOR, AGE 43

Grant completed a Master of Science with Honours, majoring in Earth Sciences in 1990 and an MBA in 2002. He commenced his professional career with Solo Geophysics in 1991 conducting surveys in Eastern and Northern Australia on tenements and mine sites held by BHP, CRA, Mount Isa Mines, Billiton and Homestake. In 1993, Grant commenced with Mount Isa Mines, working in and around the Isa mine operation's, undertaking exploration for extensions of the Isa ore bodies. Between 1994 and 2000, he worked for North Limited and was involved in exploration in Australia, Sweden, Argentina, Chile, Peru and North America. Grant has experience in exploration for porphyry, epithermal, IOCG, Carlin gold and Broken Hill Type targets.

In more recent times Grant has consulted to the mining industry and worked at an executive level in the forestry industry in the areas of strategy, finance and business improvement. Grant is a graduate member of the Australian Institute of Company Directors.

Other current Directorships - None.

Former Directorships in the last three years - None.

Special Responsibilities - Managing Director.

Interests in shares and options - 626,000 shares directly held; 500,000 options directly held.



SHINJI YAMAMOTO

NON EXECUTIVE DIRECTOR, AGE 28

Shinji's family are the founders of Ichiya Co., Ltd in Japan. Mr. Yamamoto holds a law degree from Teikyo University in Tokyo. From October 2004 to December 2006 he served as Director and Administration Division Vice Manager, subsequently, he was appointed to President and Representative Director of Ichiya.

In addition, in February 2007, he was appointed as Non-Executive Director of Sun Innovation Holdings Limited which shares are listed on the Hong Kong Stock Exchange.

He has 5 years of experience in Company management developing an entrepreneurial talent for business which lead him to seek business opportunities outside Japan.

Other current Directorships - None.

Former Directorships in the last three years - None.

Special Responsibilities - None.

Interests in shares and options 63,957,102 shares indirectly held; 4,484,963 options indirectly held.



FYE CHEONG HONG

NON EXECUTIVE DIRECTOR, AGE 53

Mr. Hong has worked in the financial industry for over 20 years in both Japan and Hong Kong for Jardine Fleming Securities and later with Barclays Securities.

In 1999, Fye Hong led a buy-out of a Tokyo listed Company Lux Corporation from the Korean firm of Samsung Electronics and managed the operation for 3 years in Tokyo. Lux Corporation was a manufacturer in high end audio sound equipment. In 2002, Fye Hong led a take-over of a Hong Kong listed Company Mansion Group Ltd involved in fire prevention equipment. He expanded the business and led the group into operations in China. Mr Hong returned to Australia in 2005 where he manages the family business in property development and investments.

Fye is an Honours graduate in Building Architecture from the University of New South Wales and holds a diploma in Law from the University of Wolverhampton in the United Kingdom.

Other current Directorships - None.

Former Directorships in the last three years - None.

Special Responsibilities - Member of the Audit and Risk Committee and Remuneration and Nomination Committee.

Interests in shares and options - None.

DIRECTORS'REPORT (cont.)

Meetings of Directors and Committee's

Directors	Directors' Meetings		Audit and Risk Committee		Remuneration and Nomination Committee	
	N° eligible to attend	N° attended	N° eligible to attend	N° attended	N° eligible to attend	N° attended
Peter John Bradfield	12	12	4	4	4	4
Grant Kensington	12	12	-	-	-	-
Joshua Simon Rogers	9	8	3	3	3	3
Kimikazu Yoshioka	8	8	3	2	3	3
Tully Araluen Richards	4	2	-	-	-	-
Fye Cheong Hong	3	3	1	1	-	-
Shinji Yamamoto	3	1	-	-	-	-

COMPANY SECRETARY

The Company Secretary as at 30 June 2009 and since listing is Marcelo Mora.

Marcelo holds a Bachelor of Business degree and has been the Company's chief accountant since July 2006. Mr Mora has been an accountant for more than 19 years and has experience in resources and mining companies both in Australia and internationally.

AUDIT COMMITTEE

The charter of the audit committee incorporates a number of policies and practices to ensure that the committee is independent and effective. The committee is made up Mr. Fye Hong and Mr. Peter Bradfield as committee members. The committee met four times during the financial year to review and advise the board on objectives and internal procedures.

REMUNERATION REPORT

The Company's policy for determining the nature and the amount of remuneration for Company Directors, Company Officers and Executives is as follows:

The remuneration structure is set by the Board of Directors and is based on a number of factors to ensure reward for performance is appropriate when applicable and in line with market remuneration for comparable listed public companies. The Board ensures that the remuneration of its Directors and Executives satisfies the criteria of good corporate governance practices by setting up of a Remuneration Committee which has adopted a remuneration charter.

REMUNERATION AND NOMINATION COMMITTEE

The Board appointed the following members to the Remuneration and Nomination Committee under the committee charter as follows: Mr Fye Hong and Mr Peter Bradfield as committee members. The committee met four times during the financial year and advise the Board on remuneration levels and board structure.

The main functions of the committee are i) to review and make recommendations to the Board regarding Augur's policy for determining executive remunerations, ii) implement policies with the objective of retaining and attracting quality personnel in a competitive market and iii) oversee the implementation of executive remuneration policy within Augur.

The ultimate responsibility stays with the Board ensuring that the Company has in place the following:

- Performance linked to remuneration
- Transparency
- Competitiveness and Reasonableness
- Appropriate Remuneration Policies

The Board remuneration for all Directors (Executive and Non Executive) is reviewed annually based on market prices. If required the Board can seek independent external advice when required.

SHORT TERM INCENTIVE STI

The Company provides fees on a fixed bases and short term incentives (STI), the weight of each component differs for each executive entitled to STI's.

The STI was only applicable to the Managing Director Mr Grant Kensington and the conditions are as follows:

Pursuant to the terms of his Service Agreement, Mr Kensington may be entitled to a short term incentive of 500,000 options based on key performance indicator (KPI) these options are payable at the completion of the Company's successful capital raising (STI). This process would be completed during September 2009. The agreement also provides that Mr Kensington participate in the Company Executive Share Option Plan with an entitlement of 500,000 options (Long term options).

Details of remuneration for the year ended 30 June 2009.

Details of the remuneration of each key management personnel paid during the year are set below;

Key management personnel	Salary and Fees		Share Based Payments		Superannuation		Total	
	2009	2008	2009	2008	2009	2008	2009	2008
Peter Bradfield	64,581	53,227	9,520	9,520	5,813	4,898	79,914	67,645
Grant Kensington	200,000	73,077	4,400	1,254	18,000	6,714	222,400	81,045
Joshua Rogers	25,000	95,000	11,900	11,900	2,025	9,450	38,925	116,350
Shinji Yamamoto	7,500	-	-	-	-	-	7,500	-
Fye Hong	7,500	-	-	-	675	-	8,175	-
Kimikazu Yoshioka	22,500	30,076	5,950	5,950	-	-	28,450	36,026
Tully Richards	12,500	31,451	5,950	5,950	1,125	2,792	19,575	40,193
Roger Jackson	-	24,193	-	-	-	2,039	-	26,232
Marcelo Mora	88,125	60,208	-	-	-	-	88,125	60,208
Total	427,706	367,232	37,720	34,574	27,638	25,893	493,064	427,699

Note: No bonuses were paid during the financial year. No performance based components of remuneration exist and no other key management personnel was employed by the Company.

OTHER PAYMENTS

Mr Joshua Rogers is the Managing Director of Mitchell Morgan. During the year the Company sub-lets office space from Mitchell Morgan at the monthly rate of \$4,333 plus GST. Mr Tully Richards had a Service Contract Agreement with the Company for geological consultancy services the total fees paid until the contract was terminated was \$3,333.

MANAGING DIRECTOR REMUNERATION

Service Agreement Conditions with Mr. Grant Kensington

(a) Duration of the Contract

The service agreement contract is for a period of two years commencing on the 18 February 2008.

(b) Remuneration

- I. Fixed Fees – Mr. Kensington's fixed fee is \$200,000 per annum.
- II. 9% Superannuation.
- III. Short term incentive (STI) – Issue of 500,000 options as part of the Company's successful completion of the June 2009 capital raising due to be completed in September 2009.
- IV. Long term incentive (LTI) – Mr. Kensington was issued 500,000 options under the Company's Executive Share Option Plan - ESOP program upon commencement of his service agreement contract as follows:

500,000 options were issued with an exercise price of \$0.12 each expiring on the 22 October 2012 pursuant to the provisions of the Augur Resources Limited Employee Share Option Plan. The fair value per option is \$0.044.

(c) Termination of Employment

Mr Kensington service agreement contract may be terminated at any time by either party upon not less than four weeks' prior notice. In the event of termination by the Company Mr. Kensington will be entitled to an amount equal to the fee payable for so much of the notice period that he is not so retained.

Augur may terminate Mr. Kensington's service agreement immediately in certain events including serious misconduct and material breach of contract. On termination of this agreement for the reasons of serious misconduct and material breach of contract Mr. Kensington is entitled to the fee payable up to, and including, the date of termination.

OPTIONS

The following options were issued as part of the short form Prospectus dated 28 December 2007.

Key management personnel	As at 30 June 2008 directly Held	As at 30 June 2008 Indirectly Held	As at 30 June 2009 directly Held	As at 30 June 2009 Indirectly Held
Peter Bradfield			-	15,000
Grant Kensington	-	-	-	-
Joshua Rogers	2,500	305,506	-	-
Tully Richards	-	5,000	-	-
Shinji Yamamoto	-	-	-	4,484,963
Fye Hong	-	-	-	--
Kimikazu Yoshioka	-	4,484,963	-	-
Marcelo Mora	-	-	-	-
Total	2,500	4,810,469	-	4,499,963

OPTIONS UNDER THE ESOP

The Company has an Executive Share Option Plan to provide an incentive for Directors and key management personnel, which it is believed, is in line with industry standards and practice and help to align the interest of management with shareholders.

Each option gives the option holder the entitlement to subscribe for 1 ordinary share at the exercise price on or before the expiry date. The expiry date is five years from the date the Company's admission to the official list in the ASX.

Under the terms of the plan, the Board may from time to time determine who is entitled to participate in the option plan and may issue invitations to an executive, or relative or an associate nominated by the executive. The exercise price for the initial grantees under the plan is 125% of the initial public offer price pursuant to the prospectus dated 24 July 2007.

For a subsequent grantee the exercise price is a 25% premium to the volume weighted average of the ordinary shares traded on the ASX for the previous 15 business days preceding the grant date of the option. The vesting date for initial grantees is 12 months after the date on which the Company is admitted to the official list of the ASX and for later grantee the date is 12 months after the grant date.

The following key management personnel were issued with the following options under the Augur Resources Limited ESOP program as follows:

Key management personnel	Grant date	Expiry date	Exercise price	Fair Value price	N ^o of options
Peter Bradfield	3 May 2007	22 October 2012	\$0.25	\$0.119	400,000
Grant Kensington	18 March 2008	22 October 2012	\$0.12	\$0.044	500,000
Joshua Rogers	3 May 2007	22 October 2012	\$0.25	\$0.119	500,000
Tully Richards	7 June 2007	22 October 2012	\$0.25	\$0.119	250,000
Kimikazu Yoshioka	3 May 2007	22 October 2012	\$0.25	\$0.119	250,000
Total					1,900,000

TOTAL OPTIONS

The following table provide the total options held by key management personnel:

Key management personnel	As at 30 June 2008 directly Held	As at 30 June 2008 Indirectly Held	As at 30 June 2009 directly Held	As at 30 June 2009 Indirectly Held
Peter Bradfield	400,000	15,000	400,000	15,000
Grant Kensington	500,000	-	500,000	-
Joshua Rogers	2,500	805,506	-	-
Tully Richards	-	255,000	-	-
Shinji Yamamoto	-	-	-	4,484,963
Fye Hong	-	-	-	-
Kimikazu Yoshioka	250,000	4,484,963	-	-
Total	1,152,500	5,560,469	900,000	4,499,963

SHARES

The following key management personnel have ownership of ordinary shares in Augur Resources Limited as follows;

Key management personnel	As at 30 June 2008 directly Held	As at 30 June 2008 Indirectly Held	As at 30 June 2009 directly Held	As at 30 June 2009 Indirectly Held
Peter Bradfield	-	60,000	-	-
Grant Kensington	72,000	-	626,000	-
Joshua Rogers	10,000	1,222,030	-	-
Tully Richards	80,000	20,000	-	-
Shinji Yamamoto	-	-	-	63,957,102
Kimikazu Yoshioka	-	21,319,034	-	-
Total	162,000	22,621,064	626,000	63,957,102

As a condition of listing on the ASX 2,453,248 shares of Ichiya Co. Ltd are held in escrow for a period of 24 months from 22 October 2007.

NON AUDIT SERVICES

The board of Directors, in accordance with the advice from the Audit and Risk committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporation Act 2001. The Directors are satisfied that the services disclosed below did not comprise the external auditor's independence for the following reasons:

- All non-audit services are reviewed and approved by the Risk and Audit committee to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- The nature of the services provided do not compromise the general principles relating to auditor independence as set out in the Institute of Chartered Accountants in Australia and the CPA Australia's professional Statement F1: Professional Independence.

The following fees for non-audit services were paid to the external auditors during the year ended 30 June 2009.

Taxation compliance services \$4,008

INDEMNIFICATION OF OFFICER OR AUDITOR

Each of the Directors and the Secretary of the Company have entered into a Deed with the Company whereby the Company provided certain contractual rights of access to books and records of the Company to those Directors and Secretary. The Company has insured all of the Directors of Augur Resources Ltd.

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the Company.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 32.

A handwritten signature in black ink, appearing to read 'G. Kensington', with a long horizontal flourish extending to the right.

Grant Leo Kensington

Director

Signed Sydney 15th day of September 2009 in accordance with a resolution of the Board of Directors:

AUDITOR'S INDEPENDENCE DECLARATION



Chartered Accountants

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15 September 2009

The Directors
Augur Resources Ltd
Level 45, 2 Park Street
SYDNEY NSW 2000

As lead auditor for the audit of Augur Resources Ltd for the year ended 30 June 2009, I declare that, to the best of my knowledge and belief, there have been:

No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to this audit;

No contraventions of the Code of Professional Conduct in relation to this audit.

GOULD RALPH ASSURANCE

Chartered Accountants

A handwritten signature in black ink, appearing to read 'G. Ralph', with a horizontal line underneath.

GREGORY C RALPH, M.Com., F.C.A.
Partner



Member of Russell Bedford International - with affiliated offices worldwide
Liability limited by a scheme approved under Professional Standards Legislation

INCOMESTATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	Notes	2009 \$	2008 \$
CONTINUING OPERATIONS			
Revenue	2	78,678	162,589
Expenses			
Depreciation and amortisation expenses	3	(10,707)	(9,785)
Advertising		(29,620)	(15,878)
Accountancy fees	3	(4,008)	(6,523)
Audit fees	3	(35,040)	(31,560)
Share based payments expense		(37,720)	(34,574)
Consulting fees		(135,458)	(200,205)
Directors fees and superannuation expenses		(341,834)	(332,917)
ASX fees		(11,746)	(10,500)
Legal fees		(28,291)	(29,868)
Insurance		(22,905)	(21,445)
Management fees		-	(37,500)
Motor vehicle expenses		(450)	(5,021)
Rent expenses	3	(52,000)	(35,333)
Share registry expenses		(26,698)	(22,182)
Communication		(11,831)	(7,762)
Travel expenses		(24,103)	(60,452)
Other expenses		(35,544)	(45,115)
Finance costs	3	-	(67,500)
Loss before income tax expense		(729,277)	(811,531)
Income tax expense	5	-	-
Loss after income tax expense		(729,277)	(811,531)
Loss attributable to members of the entity		(729,277)	(811,531)
Basic earnings per share (cents per share)	6	(1.34)	(1.85)
Diluted earnings per share (cents per share)	6	(1.34)	(1.85)

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

BALANCESHEET
AS AT 30 JUNE 2009

	Notes	2009 \$	2008 \$
CURRENT ASSETS			
Cash and cash equivalents	7	2,008,997	1,873,964
Trade and other receivables	8	84,185	693,449
Other assets	9	3,998	10,746
TOTAL CURRENT ASSETS		2,097,180	2,578,159
NON-CURRENT ASSETS			
Property, plant and equipment	10	5,272	14,979
Deferred exploration and evaluation expenditure	11	3,151,130	2,690,589
TOTAL NON-CURRENT ASSETS		3,156,402	2,705,568
TOTAL ASSETS		5,253,582	5,283,727
CURRENT LIABILITIES			
Trade and other payables	12	97,432	531,213
TOTAL CURRENT LIABILITIES		97,432	531,213
NON-CURRENT LIABILITIES			
Deferred tax liabilities	5	7,157	7,157
TOTAL LIABILITIES		104,589	538,370
NET ASSETS		5,148,993	4,745,357
EQUITY			
Issued capital	13	7,188,321	6,093,128
Options reserve	15	72,294	34,574
Accumulated losses		(2,111,622)	(1,382,345)
TOTAL EQUITY		5,148,993	4,745,357

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

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2009

	Issued Capital \$	Options Reserves \$	Accumulated Losses \$	Total \$
Balance at 1 July 2007	1,928,986		(570,814)	1,358,172
Ordinary shares and options issued	5,128,750			5,128,750
Cost of the shares and options issued	(964,608)			(964,608)
Cost of share based payment		34,574		34,574
Loss for the year			(811,531)	(811,531)
Balance at 30 June 2008	6,093,128	34,574	(1,382,345)	4,745,357
Ordinary shares issued	1,114,178			1,114,178
Cost of shares issued	(46,877)			(46,877)
Transaction cost on issue of shares – refund from ATO	27,892			27,892
Cost of share based payment		37,720		37,720
Loss for the year			(729,277)	(729,277)
Balance at 30 June 2009	7,188,321	72,294	(2,111,622)	5,148,993

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

CASHFLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	Notes	2009 \$	2008 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(730,728)	(627,336)
Interest received		101,991	139,078
Finance costs		-	(74,250)
Net cash used in operating activities	16(b)	(628,737)	(562,508)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(1,000)	(5,447)
Payment for exploration expenditure		(830,423)	(1,846,518)
Net cash used in investing activities		(831,423)	(1,851,965)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from share issue		1,114,178	5,000,000
Proceeds from option issue		-	128,868
Transaction costs on equity and options issues		(18,985)	(851,737)
Loans repaid by external parties		-	290,743
Proceeds from related parties		500,000	(500,000)
(Payments) / proceeds of environment bonds		-	(5,000)
Net cash provided by financing activities		1,595,193	4,062,874
Net increase/(decrease) in cash held		135,033	1,648,401
Cash at beginning of financial year		1,873,964	225,563
Cash at end of financial year	16 (a)	2,008,997	1,873,964

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report is for the entity Augur Resources Limited as an individual entity. Augur Resources Limited is a Company limited by shares, incorporated and domiciled in Australia.

The financial report of Augur Resources Limited as an individual entity complies with all Australian equivalents to International Financial Reporting Standards (IFRS) in their entirety. The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

The accounting policies set out below have been consistently applied to all years presented.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs.

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report.

Accounting Policies

(a) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

(b) Property, Plant and Equipment

Plant and equipment

Plant and equipment is measured on the cost basis less depreciation and impairment losses.

Depreciation

The depreciable amount of all fixed assets are depreciated over their estimated useful lives to the Company commencing from the time the asset is held ready for use.

The depreciation rates and useful lives used for each class of depreciable assets are:

Class of fixed asset	Depreciation rates Useful lives	Depreciation basis
Plant and equipment	37.5%	Prime Cost
Computer Equipment	37.5%	Prime Cost

(c) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

(d) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(e) Income Tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(f) Exploration, evaluation and development expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs are determined using estimates of future costs, current legal requirements and technology on an undiscounted basis. Any changes in the estimates for the costs are accounted on a prospective basis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

(g) Financial Instruments

Augur Resources classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial assets and financial liabilities are recognised on Augur Resources Balance Sheet when Augur Resources becomes a party to the contractual provisions of the instrument.

(h) Trade and other receivables

Trade and other receivables are stated at their amortised cost less impairment losses.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

(i) Borrowing costs

Borrowing costs directly attributable to the acquisition, contraction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised as an expense in the income statement in the period in which they are incurred.

(j) Impairment of Assets

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(k) Trade and other payables

Creditors and other payables, including accruals for goods received but not yet billed, are recognised when Augur Resources becomes obliged to make future payments principally as a result of the purchase of goods and services.

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Trade and other payables are carried at amortised cost.

(l) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

(m) Equity Based Compensation Cost

Augur Resources allocates its employees share options as part of their remuneration package. Equity based compensation benefits are provided to employees via the Executive Share Option Plan. These payments are measured at the more readily determined fair value of the equity instrument.

An expense is recognised for all Share based remuneration determined with reference to the fair value of the equity instruments issued. The fair value of equity instruments is calculated using market price where available, and where market prices are not available using a valuation technique consistent with the Black Scholes methodology, to estimate the price of those equity instruments in an arm's length transaction between knowledgeable, willing parties. The fair value calculated in accordance with AASB 2 "Share-based Payment" is charged against profit over the relevant vesting periods, adjusted to reflect actual and expected levels of vesting.

Where the grant date and the vesting date are different the total expenditure calculated will be allocated between the two dates taking into account the terms and conditions attached to the instruments and the counterparties as well as management's assumption about probabilities of payment and compliance with and attainment of the set out terms and conditions. Upon the exercise of options, the balance of the Share based payments reserve relating to those options is transferred to Share capital.

(n) Critical Accounting Estimates and Judgments

The Directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key judgments

Exploration and Evaluation Expenditure

The Group capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the Directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded. Such capitalised expenditure is carried at reporting date at \$3.1m.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	2009 \$	2008 \$
NOTE 2: REVENUE		
- interest	78,678	162,589
	78,678	162,589
(a) Interest from:		
- bank	55,185	134,428
- Loans	23,493	28,161
Total interest	78,678	162,589
NOTE 3: PROFIT/(LOSS) FOR THE YEAR		
Profit/(Loss) before income tax expenses has been determined after:		
(a) Expenses		
Borrowing costs:		
- other persons	-	67,500
Total borrowing costs	-	67,500
Depreciation of non-current assets		
- Plant & equipment	10,707	9,785
Rent expenses	52,000	35,333
Remuneration of the auditors for		
- audit and review services	35,040	31,560
- other services	4,008	6,523
Total Remuneration of the auditors	39,048	38,083

NOTE 4: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Policies

The Company's financial instruments comprise deposits with banks, short term loans to related parties and accounts payable. The Company does not trade in derivatives or in foreign currency.

The Company manages its risk exposure of its financial instruments in accordance with the guidance of the Audit and Risk Committee which is under the directions of the board of Directors. The main risks arising from the Company's financial instruments are interest rate risk and liquidity risks. The Company uses different methods to manage and minimise its exposure to risks. These include monitoring levels of interest rates fluctuations to maximise the return of bank balances and liquidity risk is monitored through the development of future rolling cash flow forecasts.

The final approval and monitoring of any of the theses policies is done by the Board which review and agrees on the policies for managing each of the risks as summarised below;

The primary responsibility to monitor the financial risks lies with the Managing Director and the Company Secretary under the authority of the Board. The Board through the Audit and Risk Committee agrees and approved policies for managing each of the risks indentified below, including the setting up approval limits for purchases and monitoring projections of future cash flow.

NOTE 4: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont.)

Risk Exposures

Interest rate risk

The Company's exposure to market interest rate relates to cash assets and short term lending. The Company does not, have any short term lending for the year ending 30 June 2009.

At balance date, the Company had the following mix of financial assets and liabilities exposed to Australian variable interest rate risk that are not designated in cash flow hedges:

	2009 \$	2008 \$
Financial Assets		
Loan to related party	-	500,000
Receivables	84,185	193,449
Cash and equivalents	2,008,997	1,873,964
	2,093,182	2,567,413
Financial Liabilities		
Trade and other payables	(97,432)	(531,213)
Net Exposure	1,995,750	2,036,200

All assets and liabilities are current and are not past due or impaired and the Company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Company.

The Company does not have interest rate swap contracts. The Company has two high interest yield accounts from where it draws cash when required to pay liabilities as they fall due. The Company normally invests its funds in at least two accounts to maximise the available interest rates. The Company always analyses its interest rate exposure when considering renewals of existing positions including alternative financing.

The following sensitivity analysis is based on the interest rate risk exposures in existence at balance sheet date.

At 30 June 2009, if the interest rates had moved, as illustrated in the table below, with all other variables held constant, the post tax loss and equity would have been affected as follows:

Judgement of reasonable possible movements;

	Post Tax Loss (Higher)/Lower 2009	Post Tax Loss (Higher)/Lower 2008	Total equity 2009	Total equity 2008
+ 1% higher interest rate	11,748	26,136	11,748	26,136
- 0.5% lower interest rate	(5,881)	(13,084)	(5,881)	(13,084)

The movements in the loss after tax are due to higher/lower interest earned from variable movement in the interest rate on cash balances and the interest bearing loan receivable. The sensitivity is lower for the period ending June 2009 than June 2008 because of the stable pattern of investing the surplus cash in high interest yield throughout the year unlike the prior year when the Company started to maximise its surplus cash in the second half of 2008. In addition, Augur Resources Ltd had an interest bearing loan receivable from ARK Mines Ltd at an interest rate of 10% repaid in full in December 2008.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

NOTE 4: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont.)

	Weighted Average Interest Rate		Fixed Interest Rate Maturing Within 1 Year		Floating Interest Rate		Non Interest Bearing	
	2009 %	2008 %	2009 \$	2008 \$	2009 \$	2008 \$	2009 \$	2008 \$
Financial Assets:								
Cash	3.38	6.73	-	-	2,008,997	1,873,964	-	-
Receivables	-	10.0	-	500,000	-	-	84,185	193,449
Total Financial Assets			-	500,000	2,008,997	1,873,964	84,185	193,449
Financial Liabilities								
Trade and sundry creditors				-	-	-	(97,432)	(531,213)
Total Financial Liabilities				-	-	-	(97,432)	(531,213)

Liquidity Risk

The Company's objective is to maximise its cash availability by adhering to the exploration program and evaluating current charges of various suppliers. The Company completed last year's exploration program with the announcement of two inferred JORC compliant resources at Homeville/Collierina and Yeoval. With the recently secured funds from the June share rights issue the Company has sufficient liquidity for at least the next 24 months to further develop all its tenements.

The Company monitors rolling forecasts of liquidity on the basis of expected fund raisings, trade payables and other obligations for the ongoing operation of the Company. At balance date, the Company has available funds of \$2,008,997 for its immediate use. Based on future Company announcements and future exploration results the Company will choose the most beneficial equity funding for the next two years.

Credit risk

The Company is not exposed to any credit risk, last year's outstanding loan receivable of \$500,000 plus interest that was due on 17 December 2008 from Ark Mines Ltd was received in full on the due date.

	Credit Rating	2009 \$	2008 \$
Australian Taxation Office	AAA	19,921	113,937
Department of Primary Industries	AAA	55,000	55,000
Loan Ark Mines	Non rated	-	500,000
Interest on Ark Mines Loan	Non rated	-	23,312
Other	Non rated	9,264	1,200
Total		84,185	693,449

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	2009 \$	2008 \$
NOTE 5: INCOME TAX		
(a) Income tax expense		
The major components of income tax expense are:		
Income statement		
Current Income tax	-	-
Deferred income tax	-	-
	-	-
(b) The prima facie tax on (loss)/profit before income tax is reconciled to the income tax expense as follows:		
Prima facie tax (benefit)/expense on loss before income tax at 30% (2008- 30%)	(218,783)	(243,459)
Tax effect of:		
Option share based expense	11,316	10,372
Option rights issue costs	(2,918)	(2,918)
IPO share issue costs	(53,285)	(54,958)
Share rights issue costs	(2,813)	-
Temporary differences recognised – deferred mining costs and other items	138,162	573,836
Tax losses recognised	(148,662)	(576,836)
Tax losses not brought to account	276,983	293,904
Other non-allowable items	-	59
Income tax expense	-	-
(c) Deferred tax liability		
The major components of deferred tax liability are as follows:		
Deferred mining and exploration expenditure	945,339	796,677
Tax losses brought to account	(938,182)	(789,520)
Other		-
Deferred tax liability	7,157	7,157
Deferred income tax assets not brought to account		
Deferred tax assets have not been recognised in respect of the following items:		
Tax losses	254,933	285,932

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	2009 \$	2008 \$
NOTE 6: EARNINGS PER SHARE		
Earnings used to calculate basic EPS	(729,278)	(811,531)
Earnings used to calculate diluted EPS	(729,278)	(811,531)
	N° of Shares	N° of Shares
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	54,261,826	43,760,274
Weighted average number of ordinary shares outstanding during the year used in calculating diluted EPS	54,261,826	43,760,274

NOTE 7: CASH AND CASH EQUIVALENTS

Cash at bank	41,237	223,964
Term deposits	1,967,760	1,650,000
Total Cash	2,008,997	1,873,964

The current interest rate receivable is a floating rate. At 30 June 2009 the deposits were as follows;

- \$1,649,998 at 3.45% floating rate with no withdrawals made in the month. If withdrawals are made the rate for the month drops to 0.95%
- \$317,762 at 3.05% floating rate

NOTE 8: TRADE AND OTHER RECEIVABLES

CURRENT		
Environmental bonds	55,000	55,000
Net GST receivable	19,921	113,937
Related party receivable (i)	-	500,000
Other receivables	9,264	24,512
Total trade and other receivables	84,185	693,449

(i) Augur Resources provided no loans during the financial year and the outstanding loan at 30 June 2008 was paid by Ark Mines Ltd in full including interest by the due date.

NOTE 9: OTHER ASSETS

CURRENT		
Prepayments	3,998	10,746
Total other assets	3,998	10,746

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	2009 \$	2008 \$
NOTE 10: PROPERTY, PLANT AND EQUIPMENT		
PLANT AND EQUIPMENT		
(a) Plant and equipment		
At cost	17,912	17,912
Less accumulated depreciation	(16,566)	(9,846)
Total plant and equipment	1,346	8,066
(b) Computer equipment		
At cost	13,129	12,129
Less accumulated depreciation	(9,203)	(5,216)
Total computer equipment	3,926	6,913
Total property plant and equipment	5,272	14,979

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year

	Plant & equipment \$	Computer equipment \$	Total \$
Balance at 30 June 2007	14,786	4,531	19,317
Additions	-	5,447	5,447
Depreciation expense	(6,720)	(3,065)	(9,785)
Balance at 30 June 2008	8,066	6,913	14,979
Additions	-	1,000	1,000
Depreciation expense	(6,720)	(3,987)	(10,707)
Balance at 30 June 2009	1,346	3,926	5,272

	2009 \$	2008 \$
NOTE 11: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE		
Costs carried forward in respect of areas of interest in exploration phase	3,151,130	2,690,589

The ultimate recoupment of costs carried forward for exploration and evaluation expenditure is dependent on the successful development and commercial exploitation or sale of the respective areas.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	2009 \$	2008 \$
NOTE 12: TRADE AND OTHER PAYABLES		
CURRENT		
Unsecured liabilities		
Amounts payable to:		
Trade creditors	47,594	420,884
Sundry creditors and accruals	49,838	110,329
Total trade and other payables	97,432	531,213

	2009 \$	2008 \$
NOTE 13: ISSUED CAPITAL		
104,555,992 (2008: 51,500,000) Ordinary shares fully paid (i)	7,108,210	6,013,017
12,874,979 (2008: 12,874,992) Options fully paid (ii)	80,111	80,111
Total issued capital	7,188,321	6,093,128

	2009		2008	
	N° of Shares	\$	N° of Shares	\$
(a) Ordinary shares				
Balance at the beginning of the reporting period	51,500,000	6,013,016	26,500,000	1,928,986
Conversion of options to ordinary shares at \$0.20	13	2	-	-
Fully paid ordinary share issued 22 October 2007 at \$0.20	-	-	25,000,000	5,000,000
Cost of the share issued on 22 October 2007	-	-	-	(915,970)
Transaction cost on issue of shares – refund from ATO	-	27,892	-	-
Fully paid ordinary rights share issued 16 June 2009 at \$0.021	53,055,979	1,114,176	-	-
Cost of the share issued on 16 June 2009	-	(46,877)	-	-
Balance at the end of the reporting period	104,555,992	7,108,210	51,500,000	6,013,016
(b) Options				
Balance at the beginning of the reporting period	12,874,992	80,112	12,874,992	128,750
Cost of option issues on 8 February 2008	-	-	-	(48,638)
Conversion of options to ordinary shares at \$0.20	(13)	-	-	-
Balance at the end of the reporting period	12,874,979	80,112	12,874,992	80,112

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 13: ISSUED CAPITAL (cont.)

(i) Terms and conditions - shares

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

(ii) Terms and conditions – options

Each option entitles the holder to one (1) share in the Company. The options are exercisable at any time on or prior to 5.00pm (EST) on 30 June, 2010 the options exercise price is \$0.20 per option.

The options are transferable and quoted on the ASX all shares issued upon exercise of the options will rank *pari passu* in all respects with the Company's then issued shares.

There are no participating rights or entitlements inherent in the options and holders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 Business Days after the issue is announced. This will give option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue and if at any time the issued capital of the Company is reconstructed, all rights of an option holder are to be changed in a manner consistent with the ASX Listing Rules.

NOTE 14: CAPITAL MANAGEMENT

Management controls the capital of the Company in order to maintain an appropriate debt to equity ratio, provide the shareholders with adequate returns and ensure that the Company can fund its operations and continue as a going concern.

The Company's capital includes ordinary share capital supported by financial assets. There are no externally imposed capital requirements.

Management effectively manages the Company's capital by assessing the Company's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of cash levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the Company since the prior year. This strategy is to ensure that the Company's gearing ratio is very low or nil by having positive cash balance in excess of Company's liabilities.

NOTE 15: OPTION RESERVE

No options were issued during the year under the ESOP program.

The Company established the ESOP Program on 30 June 2007. The Board may, from time to time, determine who is entitled to participate in the Option Plan and may issue invitations to apply for the Grant of Options to the Executive or a Relative or Associate nominated by the Executive.

On issue of invitations to apply for Options, the Company must send the executive an Application which must be signed by the executive and returned to the Company within 5 Business Days.

On the Company receiving the signed Application, the Company must grant the relevant number of Options to the Optionholder and issue the Optionholder with an Option Certificate.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

NOTE 15: OPTION RESERVE (cont.)

	Weighted Average				
	N° of Options	Exercise Price	Price Volatility	Fair Value	Risk Free Rate
Granted as at 30 June 2007	1,900,000	\$0.25	70%	\$0.119	7.0%
Granted as at 30 June 2008	500,000	\$0.12	95%	\$0.044	7.5%
Forfeited as at 30 June 2008	(500,000)	\$0.25	70%	\$0.119	7.5%
Exercised 2009	-	-			
Expired 2009	-	-			
Outstanding at year end	1,900,000	\$0.22			
Exercisable at year end	1,900,000	\$0.22			

The option reserve is used to record the share options issued to Directors and Executives of the Company. Options are valued using the Black-Scholes option pricing model:

- Weighted average exercise price \$0.22
- Weighted average life of the options 4.12 years
- Underlying share price \$0.07
- Historical volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future tender, which may not eventuate.
- Include under the share based payment expense in the income statement is \$37,720 (2008:\$34,574) and relates, in full, to equity-settled share-based payment transactions.

	2009 \$	2008 \$
NOTE 16: CASH FLOW INFORMATION		
(a) Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of Cash Flows is reconciled to the related items in the balance sheet as follows:		
Cash at bank	2,008,997	1,873,964
(b) Reconciliation of cash flow from operations with (loss)/profit from ordinary activities after income tax		
(Loss) / Profit from ordinary activities after income tax	(729,278)	(811,531)
Non-cash flows in profit/(loss) from ordinary activities		
Depreciation	10,707	9,785
Share based payment expense	37,720	34,574
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	73,438	(328,943)
(Increase)/decrease in prepayments	6,749	403,137
Increase in trade and other payables	(28,073)	130,470
Net Cash used in operating activities	(628,737)	(562,508)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	2009 \$	2008 \$
NOTE 17: RELATED PARTY TRANSACTIONS		
Transactions between related parties are on normal commercial terms with conditions no more favourable than those available to other parties unless otherwise stated.		
Transactions with related parties:		
(a) Interest bearing loan to Ark Mines Ltd		
Principal	-	500,000
Accrued Interest	-	19,682
Total	-	519,682
The outstanding loan of AUD\$500,000 as at 30 June 2008 with Ark Mines Ltd was paid by the due date in full including interest.		
(b) Tully Richards a former Director of the Company had a consulting service agreement through Central West Scientific. This contract was terminated on 31 August 2008.		
	3,333	20,000
	3,333	20,000
(c) No Management fees were paid during the year to Mitchell and Morgan in which Joshua Simon Rogers (former Director) has a beneficial interest.		
	-	37,500
	-	37,500

All related party transactions are on commercial terms and conditions unless otherwise stated.

NOTE 18: SEGMENT INFORMATION

The Company principally operates in New South Wales, Australia in the mineral exploration sector.

NOTE 19: OPERATING LEASE COMMITMENTS

Payable - minimum lease payment for rental premises

Minimum payment not later than 12 months	45,600	17,000
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NOTE 20: COMMITMENTS AND CONTINGENCIES

Statutory commitments with respect to tenements	482,500	429,000
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The Company does not have any contingent liabilities or contingent assets as at 30 June 2009.

NOTE 21: EVENTS SUBSEQUENT TO REPORTING DATE

No events have occurred subsequent to 30 June 2009, which may significantly affect the results of the entity in subsequent years. However During September 2009 the Company allotted 1,500,000 ordinary shares under the pro-rata share rights issue shortfall raising a further \$31,500.

NOTE 22: CHANGE IN ACCOUNTING POLICY

The following Australian Accounting Standards issued or amended which are applicable to the Company but are not yet effective and have not been adopted in preparation of the financial statements at reporting date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

NOTE 22: CHANGE IN ACCOUNTING POLICY (cont.)

AASB Amendment	AASB Standard Affected	Outline of Amendment	Application date of the standard	Application date for the Company
AASB 2007-3 Amendments to Australian Accounting Standards	AASB 5: Non-current Assets held for Sale and Discontinued Operations AASB 6: Exploration for and Evaluation of Mineral AASB 102: Inventories AASB 107: Cash Flow Statements AASB 127: Consolidated and Separate Financial Statements AASB 134: Interim Financial Reporting AASB 136: Impairment of Assets	The disclosure requirements of AASB 114: Segment Reporting have been replaced due to the issuing of AASB 8: Segment Reporting in February 2007. These amendments will involve changes to segment reporting disclosure within the financial report. However, it is anticipated there will be no direct impact on recognition and measurement criteria amounts included in the financial report.	1 January 2009	1 July 2009
AASB 8 Operating Segments	AASB 114: Segment Reporting	As above	1 January 2009	1 July 2009
AASB 2007-6 Amendments to Australian Accounting Standards	AASB 1: First time adoption of AIFRS AASB 101: Presentation of Financial Statements AASB 107: Cash Flow Statements AASB 116: Property, Plant and Equipment	The revised AASB 123: Borrowing Costs issued in June 2007 has removed the option to expense all borrowing cost. This amendment will require the capitalisation of all borrowing costs directly attributable to the acquisition, construction or production of qualifying asset. However, there will be no direct impact to the amounts included in the Company as they already capitalise borrowing costs related to qualifying assets.	1 January 2009	1 July 2009
AASB 2007-8 Amendments to Australian Accounting Standards	AASB 101: Presentation of Financial Statements	The revised AASB 101: Presentation of Financial Statements issued in September 2007 requires the presentation of a statement of comprehensive income and makes changes to the statement of changes in equity.	1 January 2009	1 July 2009
AASB 101	AASB 101: Presentation of Financial Statements	As above	1 January 2009	1 July 2009

NOTE 23: COMPANY DETAILS

The registered office of the Company is:

Augur Resources Limited
Level 45, 2 Park Street
Sydney NSW 2000

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 33 to 51 are in accordance with the *Corporations Act 2001*:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 30 June 2009 and of the performance for the financial year ended on that date of the Company.
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable with the continuing support of the major shareholder.
3. The Directors have been given the declarations required under section 295A of the *Corporation Act 2001* for the financial year ended 30 June 2009.

This declaration is made in accordance with a resolution of the Directors.



Grant Leo Kensington

Director

Dated this 15th day of September 2009

Sydney

Report on the Financial Report

We have audited the accompanying financial report of Augur Resources Ltd (the Company), which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Directors' declaration.

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the Directors also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditors' responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by Directors or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the Directors of the Company a written Auditor's Independence Declaration, a copy of which is included in the Directors' report. In addition to our audit of the financial report we were engaged to undertake services disclosed in the notes to the financial statements. The provision of these services has not impaired our independence.

Auditors' opinion

In our opinion:

1. the financial report of Augur Resources Ltd is in accordance with:
 - (a) the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Company's financial position as at 30 June 2009 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.
2. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on Remuneration Report

We have audited the Remuneration Report included in pages 27 to 30 of the Directors' report for the year ended 30 June 2009. The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the Remuneration Report of Augur Resources Ltd for the year ended 30 June 2009, complies with section 300A of the *Corporations Act 2001*.

GOULD RALPH ASSURANCE

Chartered Accountants



GREGORY C RALPH, M.Com., F.C.A.
Partner

Dated this 15th day of September 2009
Sydney

ADDITIONAL ASX INFORMATION

Additional information required by the Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 31 August 2009.

(a) Distribution of equity securities

Range	Number of Holders	ORDINARY SHARES
		Number Of Shares
1 - 1,000	11	650
1,001- 5,000	11	47,270
5,001 - 10,000	165	1,636,505
10,001 - 100,000	143	6,018,032
100,001 - 9,999,999	56	96,853,535
Total	386	104,555,992

Since listing the Company has 104,555,992 shares on issue, which includes 2,453,248 ordinary shares which are held on escrow for a period of 24 months from the date the Company listed on the ASX (22 October 2007).

The number of shareholders holding less than a marketable parcel is 164.

(b) Twenty largest shareholders

The names of the twenty largest holders of quoted shares are:

N°	Shareholder	ORDINARY SHARES	
		N° of Shares	% of Total
1.	Ichiya Co Ltd	63,957,102	61.17%
2	Dragon Securities Ltd	6,250,000	5.98%
3	HSBC Custody Nominees (Australia) Limited	5,217,908	4.99%
4	Mr Jeffrey Howard Latimer + Mrs Judith Ann Latimer <Latimer S/F A/C>	2,800,000	2.68%
5	Colowell Pty Ltd <David Dagg Family A/C>	1,800,000	1.72%
6	Merrill Lynch (Australia) Nominees Pty Limited <Berndale A/C>	1,250,000	1.20%
7	Fortis Clearing Nominees Pty Ltd <Settlement A/C>	1,245,941	1.19%
8	Accord Investment Corporation Pty Ltd	1,200,000	1.15%
9	Lawnbet Pty Limited <Fmd Superannuation Fund A/C>	900,000	0.86%
10	Mr Wilson Tseng	842,500	0.81%
11	Mr Grant Kensington + Mrs Karen Kensington	626,000	0.60%
12	Mr Tully Araluen Richards	510,000	0.49%
13	Kings Park Superannuation Fund Pty Ltd <Kings Park Super Fund A/C>	500,000	0.48%
14	Mr Maxel Franz Rangott	500,000	0.48%
15	Auro Pty Ltd	450,000	0.43%
16	Mrs Shirley Waldberg	450,000	0.43%
17	Lawrence Crowe Consulting Pty Ltd <L C C Super Fund A/C>	390,551	0.37%
18	Brand Constructions Pty Ltd	375,000	0.36%
19	Mr Matthew David Evans	360,015	0.34%
20	Mr Ian Vine + Mrs Christine Ann Vine <Supervine Super Fund A/C>	350,000	0.33%
Total		89,975,017	86.06%

ADDITIONAL ASX INFORMATION

(c) Substantial Shareholders

Substantial shareholders and the number of equity securities in which it has an interest, as shown in the Company's Register of Substantial Shareholders is:

N ^o	Shareholder	N ^o of Shares Held	% to Issued Shares
1	Ichiya Co Ltd	63,957,102	61.17%
2	Dragon Securities Ltd	6,250,000	5.98%
3	HSBC Custody Nominees (Australia) Limited	5,217,908	4.99%

(d) Voting rights

Each ordinary share is entitled to one vote when a poll is called; otherwise each member present at a meeting has one vote on a show of hands.

There is no voting rights attaching to options, however voting rights as described above will attach to the ordinary shares on exercise.

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259 George Street
Sydney NSW 2000

SHARE REGISTRY

Computershare Investor Services Pty Ltd
Level 3, 60 Carrington Street
Sydney NSW 2000

BANKERS

Westpac Bank
Market & Clarence Streets
Sydney NSW 2000

DIRECTORS AND OFFICERS

Peter Bradfield - Chairman
Grant Kensington - Managing Director
Fye Hong - Director
Shinji Yamamoto - Director
Marcelo Mora - Company Secretary

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