

AUGUR RESOURCES LTD
ACN 106 879 690

SHORT FORM PROSPECTUS

For a renounceable entitlements Issue of approximately 12,875,000 Options on the basis of 1 Option for every 4 Shares held by Shareholders as at 7.00pm (EST) 28 December 2007 at an issue price of 1 cent per Option to raise up to \$128,750.

Important Notice

This Prospectus is a short form prospectus issued in accordance with Section 712 of the Corporations Act 2001. This Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type but refers to another document the information of which is deemed to be incorporated in this Prospectus.

The securities offered by this Prospectus should be considered as speculative.

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Important Notice

This Prospectus is dated 14 December 2007.

A copy of this Prospectus was lodged with the ASIC on 14 December 2007. Neither the ASIC nor the ASX take any responsibility for the contents of this Prospectus.

No Options will be issued on the basis of this Prospectus later than thirteen (13) months after the date of this Prospectus. Application will be made within seven (7) days after the date of this Prospectus for permission for Options offered by this Prospectus to be listed for Quotation.

No person is authorised to give information or make any representations in connection with this Prospectus which is not contained in this Prospectus. Applicants should read this document in its entirety and, if in any doubt, consult with their professional advisors before deciding whether to apply for Options. There are risks associated with an investment in Augur and the Options offered under this Prospectus must be regarded as a speculative investment. The Options offered under this Prospectus carry no guarantee with respect to return on capital investment, payment of dividends or the future value of the Options. In addition, the Company draws your attention to those matters identified by the Company as representing risks to the Company (as set out in Section 14 of the IPO Prospectus).

Certain abbreviations and other defined terms are used throughout this Prospectus. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations used are set out in Section 8 of this Prospectus.

For persons accessing the on-line version of the Prospectus, the Offer is available to such persons accessing the Prospectus from within Australia only. The Prospectus may be accessed on the internet at www.augur.com.au. A person who gives another person access to the Acceptance Form must at the same time and by the same means give the other person access to the Prospectus (and any supplementary prospectus). The Company will make available a paper copy of the electronic Prospectus if requested and at no charge.

Short Form Prospectus

This Prospectus is a short form prospectus issued in accordance with Section 712 of the Corporations Act 2001. This means that this Prospectus alone does not contain all the information that is generally required to satisfy the disclosure requirements of the Corporations Act. Rather, it incorporates all other necessary information by reference to information contained in the IPO Prospectus lodged with the ASIC on 24 July, 2007 and the documents listed in Section 6 of this Prospectus.

In referring to the IPO Prospectus, the Company:

- (a) identifies the IPO Prospectus as being relevant to the offer of the Options under this Prospectus and containing information that will provide investors and their professional advisers information to assist them in making an informed assessment of:
 - (i) the rights and liabilities attaching to:
 - (A) the Options; and
 - (B) the underlying securities;
 - (ii) the capacity of Augur to issue the underlying securities; and
 - (iii) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company;
- (b) refers investors and their professional advisers to Section 5 of this Prospectus which summarises the information in the IPO Prospectus deemed to be incorporated in this Prospectus;
- (c) informs investors and their professional advisers that they are able to obtain, free of charge, a copy of the IPO Prospectus by either emailing or writing to the Company at its registered office during normal business hours during the Offer Period, or by visiting Augur's website at www.augur.com.au; and
- (d) advises that the information in the IPO Prospectus will be primarily of interest to investors and their professional advisers or analysts.

SECTION 1 – CORPORATE DIRECTORY

Board of Directors

Peter Bradfield (Chairman)
Joshua Rogers
Tully Richards
Roger Jackson
Kimikazu Yoshioka

Registered & Principal Office

Augur Resources Ltd
Level 45
2 Park Street
Sydney NSW 2000

Company Secretary

Marcelo Mora
Level 45
2 Park Street
Sydney NSW 2000

Auditors

Gould Ralph & Company
Level 42
259 George Street
Sydney NSW 2000

Legal Advisors

Home Wilkinson Lowry
Level 13
175 Eagle Street
Brisbane QLD 4000

Share Registry

Computershare Investor Services Pty Ltd
Level 2
60 Carrington Street
Sydney NSW 2000

SECTION 2 – LETTER FROM THE CHAIRMAN

14 December 2007

Dear Shareholder,

As foreshadowed in the IPO Prospectus and in recognition of your ongoing support of our company, Augur is pleased to offer Shareholders the opportunity to participate in a 1 for 4 renounceable entitlements issue of Options.

All Shareholders registered as at the Record Date will be entitled to participate in a pro-rata renounceable entitlements issue of Options on the basis of 1 Option for every 4 Shares then held. The Options will be issued at 1cent per Option and at an exercise price of 20 cents. Shares purchased on market following 19 December 2007 are not entitled to participate in the Entitlement Issue. If you have any doubt, please consult your sponsoring broker.

The Closing Date for acceptances is 5.00pm EST on 5 February 2008.

I recommend all Shareholders take up their entitlement. Funds raised from the issue will be used for working capital purposes and to pay the expenses of the offer.

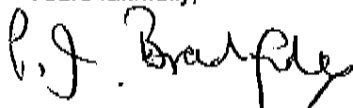
As announced on 15 November 2007, the Company has commenced drilling on its Colerina project where Aircore drilling is testing the nickel, cobalt and copper potential with the aim of extending the mineralisation and define the mineralisation to a JORC resource status. The current program of 3,000 metres is well under way.

In addition to work at Colerina, the Company expects to begin drilling its Yeoval prospect in late December. The 7,000 metre drill program is aimed at defining a JORC compliant resource at the Company's Yeoval copper-gold-molybdenum project. In addition, the Company now expects to position two further drill rigs at Yeoval early in 2008 to meet the requirements of this program.

The Company expects results from Colerina will be received during December and results from Yeoval in the first quarter of 2008.

I take this opportunity to thank all Shareholders for their support since listing and look forward to your continued support in the future.

Yours faithfully,



Peter Bradfield
Chairman

SECTION 3 – TIMETABLE AND IMPORTANT DATES

	EVENT	DATE
1.	Lodging ASIC / ASX 3B	14 December 2007
2.	3B mailing to all Shareholders	18 December 2007
3.	Shares quoted on an "ex" basis and rights trading commences on ASX	19 December 2007
4.	Record date for determining entitlements	28 December 2007
5.	Despatch Prospectus and Entitlement and Acceptance Form	4 January 2008
6.	Last day of Rights trading	25 January 2008
7.	Closing Date for Acceptance	5 February 2008
8.	Allotment and issue of Options	8 February 2008
9.	Despatch of shareholders statements for Options	11 February 2008
10.	Trading of Options expected to commence	12 February 2008

These dates are indicative only and may be subject to change.

* The Directors may extend the Closing Date by giving at least 5 business days notice to ASX prior to the Closing Date. As such, the date the Options are expected to be quoted on ASX may vary.

SECTION 4 – DETAILS OF THE OFFER

4.1 Entitlement Issue

Pursuant to this Prospectus, the Company is making a pro-rata renounceable entitlements issue to Shareholders who are registered on the Record Date of up to 12,875,000 Options.

The Options will be offered on the basis of one (1) Option for every four (4) Shares held on the Record Date. The Options will be issued at 1 cent per Option and at an exercise price of 20 cents. The terms and conditions of the Options are set out in section 6.7 of this Prospectus.

In the calculation of any Entitlement, fractions will be rounded down to the nearest whole number.

4.2 Entitlement

The number of Options to which each Shareholder is entitled (Entitlement) is shown on the enclosed Acceptance Form. Shareholders may accept their Entitlement in full or part.

4.3 Purpose of the Offer

The purpose of the Offer is to:

- (a) meet the Company's commitment to issue Options as disclosed in the IPO Prospectus; and
- (b) raise further working capital both on the issue of the Options and on their subsequent exercise.

The funds raised by the issue of the Options (approximately \$128,750) will be applied to working capital and to meet issue expenses of approximately \$25,000.

4.4 What Eligible Shareholders may do

The number of Options to which Eligible Shareholders are entitled (**your Entitlement**) is shown on the accompanying Entitlement and Acceptance Form.

If you do not take up your Entitlement, then your percentage holding in the Company will be diluted.

The entitlements issue is renounceable which means that Eligible Participants may sell or transfer all or any part of their Entitlement. That is, as an Eligible Shareholder you may:

- take up all of your Entitlement;
- take up part of your Entitlement;
- allow all or part of your Entitlement to lapse; or
- take up all or part of your Entitlement and sell, transfer or trade all or part of it.

Excluded Foreign Shareholders may not take up any of the steps set out below.

Eligible Shareholders may participate in the Offer as follows:

➤ **If you wish to take up your Entitlement in full:**

If you wish to take up all of your Entitlement, you must complete the accompanying Entitlement and Acceptance Form for Options in accordance with the instructions set out in that form.

You must then forward your completed Entitlement and Acceptance Form together with your Application Money by cheque or bank draft to reach the Company's Share Registry by no later than 5.00 pm EST on 5 February 2008.

➤ **If you wish to take up part of your Entitlement:**

If you wish to take up only part of your Entitlement, you must complete the accompanying Entitlement and Acceptance Form for the number of Options you wish to take up and attach your cheque or bank draft for that amount.

If you wish to allow part of your Entitlement to lapse, you are not obliged to do anything in relation to that part of your Entitlement. However, Entitlements of Eligible Shareholders are renounceable, which allows Eligible Shareholders to sell or trade some or all of their Entitlement on ASX or sell some or all of their Entitlement to another person.

All Entitlements not accepted will form part of the Shortfall which will be dealt with at the discretion of the Directors, and those Shareholders whose Entitlements are dealt with as part of the Shortfall will receive no benefit.

It is therefore important that if you do not intend to take up any of your Entitlement but still wish to receive a benefit, you take action to sell your Entitlement. If you are in any doubt as to the action you should take, please consult your professional adviser.

If you wish to sell all or part of your Entitlement through your stockbroker you should complete the section on the back of the Entitlement and Acceptance Form marked "Instructions to your Stockbroker" and lodge the form with your stockbroker. Please note that quotation of Options on the ASX is expected to commence on 7 February 2008. Sale of your Entitlement must be completed by 25 January 2008 when trading of Entitlements ceases.

➤ **If you wish to transfer part or all of your Entitlements to another person other than on ASX:**

If you wish to transfer all or part of your Entitlements to another person other than on ASX you must forward a completed renunciation form (which you can obtain by contacting the Company) together with the Entitlement and Acceptance Form and the applicable transferee's cheque for the application monies drawn on an Australian Bank cheque or bank draft made payable in Australian currency to "Augur Resources Limited – Subscription Account" and crossed "Not Negotiable" for the appropriate application monies.

If the Company receives both the completed renunciation form and the Entitlement and Acceptance Form in respect of those Entitlements, the renunciation will be given effect in priority to the acceptance.

➤ **If you do not wish to take up any of your Entitlement you are not obliged to do anything:**

If you do not take up any part of your Entitlement under the Issue or trade your Entitlement you will not receive any benefit.

The number of existing Shares you hold and the rights attaching to those existing Shares will not be affected if you choose not to accept any of your Entitlement. However, your shareholding in the Company will be diluted by the subsequent issue of new Shares pursuant to the exercise of the Options.

➤ **If you wish to Apply for Shortfall Options**

Eligible Shareholders have the opportunity to apply for Shortfall Options at the issue price of one cent each. The allocation of these additional Options in respect of which Entitlements were not accepted, will be at the discretion of the Directors.

If you are an Eligible Shareholder and wish to apply for Shortfall Options you should complete the Shortfall Application Form which is attached to this Prospectus in accordance with the instructions on the Shortfall Application Form. The completed Shortfall Application Form must be accompanied by a separate cheque or bank draft made payable to "**Augur Resources Limited – Subscription Account**" and crossed "Not Negotiable".

To the extent that Shareholders do not take up their Entitlement in full, the resultant Shortfall will be allocated at the discretion of the Directors. In the event that applications for the Shortfall Shares is unsuccessful, application monies (without interest) will be refunded by the Company in accordance with the provisions of the Corporations Act. The Company does not guarantee that you will receive any securities applied for in the Shortfall.

4.5 Allotment and Application Money

The Application Price for Options is payable in full on application by a payment of one cents per Option. The accompanying Entitlement and Acceptance Form must be accompanied by a cheque or bank draft for the Application Monies made payable in Australian currency to "**Augur Resources Limited – Subscription Account**" and crossed "Not Negotiable" in the enclosed envelope and sent to Augur Resources Limited, Level 45, 2 Park Street, Sydney. Do not send cash. Receipts for payment will not be issued.

You should ensure that sufficient funds are held in relevant account(s) to cover the cheque(s). If the amount of your cheque(s) for Application Money is not sufficient to pay for the number of Options you have applied for, you may be taken to have applied for such lower number of Options as your cleared Application Money will pay for or your Application may be rejected.

All acceptance monies are payable in full on return of the Entitlement and Acceptance Form enclosed with this Prospectus.

Options will be issued only after all Application Money has been received and ASX has granted permission for the Options to be quoted. It is expected that Options will be allotted and shareholder statements despatched on 11 February 2008 and trading of the Options on ASX is expected to commence on 12 February 2008.

All Application Money received before Options are allotted will be held in a special purpose account. After any Application Money is refunded (if required) and Options are allotted to Applicants, the balance of funds in the account plus any accrued interest will be received by the Company.

If the Options are not quoted by ASX within three months after the date of this Prospectus, the Company will refund all Application Money in full (without interest).

4.6 Rights Trading

The Offer is renounceable which means that Eligible Shareholders may sell or transfer all or any part of their Entitlement. That is you are able to renounce (sell) the whole or any part of your rights to subscribe for Options under the Offer in order to realise the value (if any) which may attach to that Entitlement (or any part of it). If you decide to renounce (sell) your Entitlement (or any part of it) you must do so in accordance with the instructions set out in the accompanying Entitlement and Acceptance Form.

Trading of Entitlements on the ASX is expected to commence on 19 December 2007 and end on 25 January 2008.

4.7 Closing Date

The Closing Date for the Entitlement Issue is 5.00pm EST on 5 February 2008. The Directors may extend the Closing Date by giving at least 5 Business Days notice to the ASX prior to the Closing Date.

4.8 Offer Period

The Prospectus will be despatched to Shareholders on 4 January 2008. The Offer closes on 5 February 2008.

4.9 Allotment

The Options will be allotted and issued as soon as practicable after the Closing Date. Where the number of Options issued is less than the number applied for, or where no allotment is made, surplus application monies will be refunded without any interest to the Applicant as soon as practicable after the Closing Date.

Statements of holding for the Options will be mailed as soon as possible after the Closing Date. Pending the issue of the Options or payment of refunds pursuant to this Prospectus, all application monies will be held by Augur on trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

No Options will be allotted and issued on the basis of this Prospectus later than thirteen (13) months after the date of this Prospectus.

4.10 Minimum Subscription

There is no minimum subscription.

4.11 Oversubscriptions

Oversubscriptions will not be accepted.

4.12 Underwriting

The Offer is not underwritten. The Company has however mandated Carmichael Capital Markets Pty Limited to assist the Company in placing any shortfall from the Offer.

4.13 Shortfall

If you do not wish to take up any part of your Entitlement, you are not required to take any action. That part of your Entitlement not taken will form part of the Shortfall.

The offer of the Shortfall is a separate offer pursuant to this Prospectus. The issue price of any Options offered pursuant to the Shortfall Offer shall be not less than 1 cent per Option, being the price at which the Entitlement has been offered to Shareholders pursuant to this Prospectus. The Shortfall shall be placed, within three (3) months after the Closing Date, at the direction of the Directors, and the Directors reserve the right to allot to an applicant a lesser number of Options than the number for which the applicant applies, or to reject an application, or to not proceed with placing the Shortfall.

The fact that ASX may grant official quotation of the Options is not to be taken in any way as an indication of the merits of the Company or the Options now offered for subscription.

4.14 ASX Quotation

Application for official quotation of the Options by the ASX will be made by the Company within seven (7) days of the date of this Prospectus. If approval is not obtained from ASX before the expiration of 3 months after the date of issue of the Prospectus (or such period as varied by ASIC) Augur will not issue any Options and will repay all application monies for the Options within the time prescribed under the Corporations Act, without interest.

Application for official quotation of Shares allotted and issued as a result of the exercise of Options issued under this Prospectus will be made within three (3) business days of allotment and issue.

4.15 Overseas Shareholders

Shareholders resident outside Australia should consult their professional advisers as to whether any governmental or other consents are required, or other formalities need to be observed to enable them to accept or deal with their entitlements.

This Prospectus does not constitute an offer in any place in which or to any person whom it would not be lawful to make such an offer.

4.16 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company is admitted to participate in the Clearing House Electronic Sub-register System (CHES) and operates an electronic issuer-sponsored sub-register and an electronic CHES sub-register.

On this basis, the Company will not issue Option certificates to investors. Instead, investors who elect to hold their Options on the issuer-sponsored sub-register will be provided with a holding statement (similar to a bank account statement), by the Company which sets out the number of Options allotted to each investor under this Prospectus. For investors who elect to hold their Options on the CHES sub-register, the Company will, on allotment, issue an advice to investors that sets out the number of Options allotted to the investor under this Prospectus and at the end of the month following the allotment, CHES (acting on behalf of the Company) will provide investors with a holding statement that confirms the number of Options allotted.

Further monthly statements will be provided to investors in circumstances in which there have been any changes in their security holding in the Company during the preceding month.

4.17 Privacy

If you complete an application for Options, you will be providing personal information to the Company (directly or by Augur's Share registry). The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out necessary administrative tasks.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's Share Registry.

You can access, correct and update the personal information that we hold about you. Please contact Augur or its registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the AST Settlement Rules. You should note that if you do not provide the information required on the application of Options, Augur may not be able to accept or process your application.

4.18 Enquiries

If you have any questions concerning your entitlement, please contact:

Mr. Marcelo Mora
Augur Resources Ltd

Phone: 02 9267 8333
Fax: 02 9264 4045

SECTION 5 – INFORMATION DEEMED TO BE INCORPORATED IN THIS PROSPECTUS

5.1 Short Form Prospectus

This Prospectus is a short form prospectus issued in accordance with Section 712 of the Corporations Act 2001. This means that this Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type. However it incorporates by reference information contained in a document that has been lodged with the ASIC.

The information to be incorporated by reference into this Prospectus is summarised below in section 5.2 and will primarily be of interest to investors and their professional advisers or analysts.

Investors and their professional advisers are able to obtain, free of charge, a copy of the IPO Prospectus by contacting the Company at its registered office during normal business hours during the Offer Period. The IPO Prospectus will also be available by searching ASIC's records in relation to the Company, or by visiting Augur's website at www.augur.com.au

5.2 Summary of Information Deemed to be Incorporated

Set out below is a summary of the information contained in the IPO Prospectus that is deemed to be incorporated in this Prospectus to assist investors and their professional advisers to determine whether, for the purposes of making an informed investment decision in relation to the Options, they should obtain a copy of the IPO Prospectus.

The sections referred to in this section are references to sections in the IPO Prospectus. Defined terms in this section that are not defined in the Glossary are defined in the IPO Prospectus.

Section 5 – Company and Project Review

This section contains a summary of the projects and tenements owned by the Company. It details the objectives and strategies of Augur and provides information relating to its tenements.

Section 6 – Discovery Potential of Augur's Tenements

This section details the potential for discovery of economic deposits within Augur's two key tenements; Yeoval and Collerina.

Section 7 – Tenement Overview

Section 7 provides a statistical overview of the Company's tenements, specifically in relation to their location and size as well as providing a brief summary of the geological settings which influence mineralisation on or near the tenements.

Section 8 – Development and Exploration Strategy

This section deals in detail with the exploration strategy and related exploration budgets being adopted by the Company across its portfolio of tenements.

Section 9 – Board of Directors

Section 9 contains information relating to each of the five directors of Augur and also members of the geological and management team.

Section 10 - Independent Geologist's Report

Section 10 consists of the report prepared by the Independent Geologist, Mr. Robert Pyper. The report describes in detail the geological setting and historical mining and exploration on the mining tenements of the Company. The Report also sets out details of proposed exploration programs on the mining exploration tenements.

Section 11 – Independent Exploration Titles Report

Section 11 consists of a report prepared by Hetherington Exploration and Mining Services Pty Ltd on Augur's mining tenements. The report details the status of the mining tenements and refers to their compliance with the NSW Department of Primary Industries – Mineral Resources requirements.

Section 12 – Financial Information

Section 12 provides a summary of the historical financial information of the Company. The historical financial information comprises:

- (a) the Audited Historical Income Statement, prepared on the basis and in accordance with AIFRS, for the years ended 30 June 2005 and 30 June 2006;
- (b) the Reviewed Historical Income Statement prepared on the basis and in accordance with AIFRS for the nine months ended 31 March 2007;
- (c) the Historical Balance Sheet prepared on the basis and in accordance with AIFRS as at 31 March 2007 (i.e. pre-IPO);
- (d) the Reviewed Pro-Forma Sheet prepared on the basis and in accordance with AIFRS, as at 31 March 2007;
- (e) the Audited Historical Cash Flow Statements, prepared on the basis and in accordance with AIFRS, for the years ended 30 June 2005 and 30 June 2006; and
- (f) the Reviewed Historical Cash Flow Statements prepared on the basis and in accordance with AIFRS for the nine months ended 31 March 2007.

Section 13 - Investigating Accountant's Report

This comprises the Investigating Accountant's Report prepared by PKF Corporate Advisory Services (NSW) Pty Ltd (PKFCA), dated 23 July 2007.

Based on its review, which was not an audit, PKFCA stated that they had not become aware of any matter that caused them to believe that:

- (a) the Historical Financial Information as set out in Section 12 of the IPO Prospectus, had not been presented fairly in accordance with the recognition and measurement principles prescribed in Australian Accounting Standards and other mandatory professional reporting requirements in Australia, and the accounting policies adopted by Augur; and
- (b) other than the matters dealt with in the Investigating Accountant's Report, to the best of their knowledge and belief, there had been no material transactions or events outside the ordinary course of business of Augur that had come to their attention which required comment on, or adjustment to, the information contained in their report or which would cause such information to be misleading or deceptive.

Section 14 – Risks and Risk Management

Section 14 notes that an investment in Augur has risks reasonably expected of an investment in a business of its type. It details a number of factors that may impact on the success and future profitability of the Company. The factors referred to are:

- Types of Risks
- Directors and Management Experience
- Environmental Impact
- Mining and Native Title
- Share Market
- Reliance on Key Personnel
- Exploration and Mining
- Exploration and Development
- Tenements and Mining Leases
- Concentration of Shareholding
- The Company's Approach to Risk Mitigation
- Speculative Nature of Investment

Section 16 – Material Contracts

Section 16 sets out contracts to which the Company is a party which were considered by the Directors as being material to enable investors to make an informed assessment of the Shares being offered under the IPO Prospectus.

Section 17 - Additional Information

Section 17 sets out additional information required to be disclosed in the Prospectus including:

- | | |
|--|--|
| • Details regarding the incorporation of the Company | • Interests and remuneration of Directors |
| • The de-merger of Ark Mines Limited | • Transactions with Directors and associates |
| • details regarding convertible notes previously issued in the Company | • Fees and Commissions payable in respect of the offer made under the IPO Prospectus |
| • The Share capital of the Company | • Consents from parties named in the IPO Prospectus |
| • Rights attaching to Shares; | • Interests of Experts and Advisors |
| • Meeting and voting | • Information regarding provision of tax file numbers |
| • Notices | • Taxation obligations on Shareholders |
| • Winding up | • Litigation |
| • Transferring Shares | • Electronic Prospectus |
| • Dividends | • Independent Valuation. |
| • Alteration to the Constitution | |
| • Taxation | |
| • Company tax status | |

SECTION 6 – ADDITIONAL INFORMATION

6.1 Independent Valuation

An Independent Valuation Report relating to the Company's tenements was lodged by the Company with the ASIC pursuant to section 712 of the Corporations Act, and was incorporated by reference into the IPO Prospectus. The Independent Valuation Report is also taken to be incorporated by reference into this Prospectus.

Investors and their professional advisers can obtain a copy of the Independent Valuation Report during the Offer Period free of charge by contacting the Company during normal business hours at its registered office.

6.2 Listing on ASX and Escrow of Securities

Augur was admitted to the Official List on 19 October 2007 with official quotation of its Shares commencing on 22 October 2007.

Pursuant to chapter 9 of the ASX Listing Rules a number of securities issued in the Company have been made subject to escrow requirements.

Details of securities subject to escrow and the periods of escrow of those securities are as follows:

- (a) 2,453,248 Shares for 24 months commencing on 22 October 2007;
- (b) 540,000 options for 24 months commencing on 22 October 2007; and
- (c) 1,900,000 executive options for 24 months commencing on 22 October 2007.

The balance of the issued Shares of the Company, being 49,046,752 Shares, are quoted and freely tradable on ASX.

6.3 Activities Since Listing on ASX

Every Day Mine Services Drilling Contract

The Company has entered into two drilling contracts with Every Day Mine Services (EDMS). The first drilling contract involves an initial 3,000 metres of Reverse Circulation drilling at the Company's Collerina tenement. The drilling program commenced in November 2007, and Augur has an option to extend the contract for a further 3,000 metres of project extension drilling. The agreement is on arms length terms and contains standard type provisions which are commonly found in agreements of this nature.

The second contract is for an initial 7,000 metres of diamond and RC drilling at Augur's Yeoval project, with drilling expected to commence mid December 2007. This contract also has an option for Augur to undertake a further 5,000 metres of exploration drilling at Yeoval. The agreement is on arms length terms and contains standard type provisions which are commonly found in agreements of this nature.

As EDMS and Augur share three of the same directors, both of these contracts are considered related party transactions.

Change of Secretary

On 19 October 2007, Nick Geddes resigned as secretary of the Company and Marcelo Mora was appointed as Augur's new company secretary.

Mr Mora is an Associate Member of CPA Australia and has been the Company's chief accountant and administrator for the past 15 months. Mr Mora has been an accountant for more than 15 years and has experience in resource and mining companies both in Australia and internationally.

6.4 Continuous Disclosure and Documents Available for Inspection

As the Company is listed and its Shares are quoted on the ASX, the Company is a "disclosing entity" for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations, which require it to disclose to the ASX any information of which it is or becomes aware concerning the Company and which a reasonable person would expect to have a material effect on the price or value of securities of the Company.

Copies of documents lodged with the ASIC in relation to the Company may be obtained from or inspected at, an office of the ASIC. This includes the IPO Prospectus referred to in Section 5 of this Prospectus and the Independent Valuation Report referred to in section 6.1.

As at the date of this Prospectus the only documents lodged with the ASX since official quotation are:

Date	Details
14/12/2007	Renounceable Rights Issue of Options
30/11/2007	Results of Meeting
15/11/2007	AUK: Progress Report
26/10/2007	Notice of Annual General Meeting
24/10/2007	Becoming a substantial holder
23/10/2007	EDS: Every Day Mine Services secures Augur drilling contract
22/10/2007	Drilling to Commence in November
22/10/2007	Change of Company Secretary
22/10/2007	Augur Closes IPO Oversubscribed
19/10/2007	Terms and Conditions of Issued Options
19/10/2007	Constitution
19/10/2007	Appendix 1A
19/10/2007	Statement re non-JORC compliant statements in Prospectus
19/10/2007	Statement of Commitments
19/10/2007	Full Terms and Conditions of ESOP
19/10/2007	Updated Pro-forma Balance Sheet
19/10/2007	Financial Report - 30 June 2007
19/10/2007	Financial Report - 30 June 2006
19/10/2007	Financial Report - 30 June 2005

19/10/2007	Financial Report - 30 June 2004
19/10/2007	Escrowed Securities
19/10/2007	Top 20 Shareholders
19/10/2007	Distribution Schedule
19/10/2007	Pre-Quotation Disclosure
19/10/2007	Admission to Official List
09/08/2007	Disclosure Document

6.5 Trading History

Official quotation of the Company's Shares commenced on 22 October 2007 and consequently, the trading history on ASX as at the date of this Prospectus is limited to that period.

The highest and lowest recorded market sale prices of Augur's Shares quoted on ASX during the period from commencement of official quotation to the date of this Prospectus were 24 cents on 22 October 2007 and 16 cents on 4 December 2007 respectively.

The last market sale price of the Company's Shares on ASX on the last day that trading took place in these Shares prior to the date of this Prospectus was \$0.17 on 13 December 2007.

The Company has no options over Shares currently quoted on ASX.

6.6 Capital Structure

The capital structure of the Company (assuming maximum subscription) following completion of the Offer is summarised below:

Shares	
Shares on issue at the date of this Prospectus	51,500,000
Total Shares on issue at completion of the Offer	51,500,000
Options	
Total options on issue at the date of this Prospectus [^]	2,440,000
Total Options to be issued pursuant to this Offer	12,875,000
Total Options issued at completion of the Offer	15,315,000

[^] these options are not listed on the ASX and consist of 1,900,000 Executive Options issued pursuant to the Executive Share Option Plan set out in section 16.13 of the IPO Prospectus and 540,000 options issued to Carmichael Capital Markets Pty Limited pursuant to the Sponsoring Broker Agreement set out in section 16.14 of the IPO Prospectus.

6.7 Terms and Conditions of Options

The material terms and conditions of the Options are as follows:

- (a) each Option entitles the holder to one (1) Share in the Company;
- (b) the Company will apply to ASX to list the Options on ASX;
- (c) the Options are exercisable at any time on or prior to 5.00pm (EST) on 30 June, 2010 by completing an Option exercise form and delivering it together with the payment for the number of Shares in respect of which the Options are exercised to the registered office of the Company;
- (d) the Option exercise price is \$0.20 per Option;
- (e) an Option does not confer the right to a change in exercise price or a change in the number of underlying Shares over which the Option can be exercised;
- (f) the Options are transferable and an application will be made to the ASX for quotation of the Options;
- (g) all Shares issued upon exercise of the Options will rank *pari passu* in all respects with the Company's then issued Shares. The Company will apply for quotation of the Options and all Shares issued upon exercise of the Options on ASX;
- (h) 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
- (i) 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.

6.8 Rights Attaching to Shares upon Conversion of Options

The rights attaching to Shares in the Company are:

- (a) set out in the Constitution of the Company, a copy of which is available for inspection during normal business hours at the registered business office of the Company; and
- (b) in certain circumstances, regulated by the Corporations Act, the Listing Rules, the ASTC Settlement Rules and the general law.

The following are the more important rights, privileges and restrictions attaching to the Shares offered for subscription by this Prospectus:

- (a) subject to any special rights or restrictions for the time being attached to any class or classes of shares in the Company (at present there are none), at a general meeting every Shareholder present in person or by proxy, representative or attorney will have a vote on a show of hands and, on a poll, one vote for each Share held;
- (b) each Shareholder will be entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be furnished to Shareholders under the Constitution or the Corporations Act;

- (c) subject to any special rights of the holders of any Shares as to a dividend (at present there are none), any dividend declared shall be payable on all Shares in proportion to the number of Shares held by the Shareholders irrespective of the amount paid up or credited as paid up in respect of such Shares;
- (d) subject to the rights of holders of Shares with special rights in a winding-up (at present there are none), on a winding-up of the Company all monies and property that are to be legally distributed among holders of shares will be distributed so that, to the greatest extent possible, the amount distributed is in proportion to the Shares held by Shareholders respectively, irrespective of the amounts paid up or credited as paid up in respect of the Shares. At the commencement of the winding up, shares classified by ASX as restricted securities shall rank on a return of capital after all other shares; and
- (e) subject to the Constitution and the Corporations Act, Shares are freely transferable.

6.9 Taxation

It is the responsibility of all persons to satisfy themselves of the particular taxation treatment that applies to them by consulting their own professional tax advisers before investing in the Options. Taxation consequences will depend on particular circumstances. Neither Augur nor any of its officers accept any liability or responsibility in respect of the taxation consequences of the matters referred to above or any other taxation consequences connected with an investment in the Options in the Company or dealing with an entitlement in this Offer.

6.10 Legal Proceedings

There is no litigation, arbitration or proceedings pending against or involving the Company as at the date of this Prospectus.

6.11 Interests of Directors and Experts

A full disclosure of the interests of Directors, experts and promoters of and to the Company at the date of issue of the IPO Prospectus are set out in Section 17 of the IPO Prospectus and other than as set out below or elsewhere in this Prospectus, that information and disclosure remains current.

The interest of the Directors in the securities of Augur at the date of this Prospectus is as follows:

Director	No. of Shares	Beneficially Held	No. of Options*
Peter Bradfield	60,000	No	400,000
Joshua Rogers	231,587	10,000 yes 221,587 no	500,000
Tully Richards	20,000	No	250,000
Roger Jackson	70,000	No	250,000
Kimikazu Yoshioka	22,319,477	No	250,000

*Options issued under the Company's Executive Share Option Plan and are not quoted on the ASX.

The Directors, other than Mr Yoshioka, have indicated they and their related parties will take up their full entitlements under the Offer.

On that basis the interest of the Directors in the securities of Augur at the completion of the Offer will be follows:

Director	No. of Shares	No. of Options*
Peter Bradfield	60,000	415,000
Joshua Rogers	231,587	557,897
Tully Richards	20,000	255,000
Roger Jackson	70,000	267,500
Kimikazu Yoshioka	22,319,477	5,829,869

*Includes options issued under the Company's Executive Share Option Plan which are not quoted on the ASX.

The Company has mandated Carmichael Capital Markets Pty Limited to place any additional shortfall realised on the close of the Offer.

6.12 Expenses of the Offer

The total expenses of the Offer are estimated to be approximately \$25,000, comprising ASIC lodgment fees, legal and due diligence costs and printing and other administrative expenses, excluding ASX quotation fees.

6.13 Electronic Prospectus

Pursuant to Class Order 00/044, the ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the application form. If you have not, please phone the Company on (02) 9267 8333 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

The Company reserves the right not to accept an application form from a person if it has reason to believe that when that person was given access to the electronic application form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

6.14 Consents

Persons who make statements in this Prospectus or who made statements in the IPO Prospectus which are being incorporated by reference into this Prospectus need to provide their written consent for such use.

Each of the parties referred to in this Section 6.14:

- (a) did not authorise or cause the issue of this Prospectus and do not accept any liability to any persons in respect of any false or misleading statement in, or omission from, any part of this Prospectus.

- (b) do not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (c) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus or the IPO Prospectus other than a reference to its name and a statement included in either this Prospectus or the IPO Prospectus with the consent of that party as specified in this Section.

Home Wilkinson Lowry has given and has not withdrawn its consent to be named as solicitors to the Company in this Prospectus and the IPO Prospectus in the form and context in which they are named.

PKF Corporate Advisory Services (NSW) Pty Ltd (PKFCA) has given and has not withdrawn its consent to be named as Investigating Accountants to the Company in the IPO Prospectus in the form and context in which they are named.

Gould Ralph & Company has given and has not withdrawn its consent to be named as auditor to the Company in the IPO Prospectus and this Prospectus in the form and context in which they are named.

Minnelex Pty Ltd has given and has not withdrawn its consent to be named in the Independent Geologist's Report in the IPO Prospectus and the Independent Valuation Report in the form and context in which they are named.

Hetherington Exploration and Mining Services Pty Ltd (Hetherington) has given and has not withdrawn its consent to be named in this Prospectus and the IPO Prospectus in the form and context in which it is named. Hetherington's consent is provided on the basis that it has not checked or updated the information contained in the Independent Exploration and Mining Titles report since the date of that report.

Computershare Investor Services Pty Limited has given and, as at the date hereof, has not withdrawn, its written consent to be named as Share Registrar in the form and context in which it is named. Computershare Investor Services Pty Limited has had no involvement in the preparation of any part of the Prospectus other than being named as Share Registrar to the Company. Computershare Investor Services Pty Limited has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of the Prospectus.

SECTION 7 – AUTHORITY OF DIRECTORS

Each of the Directors of Augur has consented to the lodgment of this Prospectus in accordance with Section 720 of the Corporations Act 2001 and has not withdrawn that consent.

Dated the 14th day of December, 2007.

A handwritten signature in black ink, appearing to read "P.G. Bradfield". The signature is written in a cursive, flowing style.

**Signed for and on behalf of
AUGUR RESOURCES LIMITED**

By Peter Bradfield
Chairman

SECTION 8 – DEFINITIONS

Acceptance Form means the entitlement and acceptance form enclosed with this Prospectus.

Applicant means a person who submits an Acceptance Form or a Shortfall Application Form.

ASIC means Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691).

Augur or Company means Augur Resources Limited (ABN 79 106 879 690).

Business Day means a day other than a Saturday or Sunday on which banks are open for business in Sydney, New South Wales.

CHESS means ASX Clearing House Electronic Sub-registry System.

Closing Date means the date on which the Offer closes, as set out in Section 3.

Company means Augur Resources Limited (ABN 72 112 546 700)

Corporations Act means the Corporations Act 2001 (Commonwealth).

Directors mean the directors of the Company.

Dollars or \$ means Australian dollars unless otherwise stated.

Eligible Shareholder means a Shareholder of the company, as at the Record Date, other than an Excluded Foreign Shareholder.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Offer.

Entitlement Issue means the pro rata renounceable entitlement issue of Options to Shareholders pursuant to this Prospectus

EST means Eastern Standard Time, Sydney, New South Wales.

Excluded Foreign Shareholder means a Shareholder as at the Record Date, whose registered address is not situated in Australia or New Zealand.

Glossary means this glossary.

Independent Geologist's Report means the report contained in Section 10 of the IPO Prospectus.

Independent Valuation Report means the independent valuation report referred to in Section 12.2 and 17.2 of the IPO Prospectus and section 6.1 of this Prospectus.

Investigating Accountant's Report means the report contained in Section 13 of the IPO Prospectus.

IPO Prospectus means the prospectus lodged by the Company with the ASIC and dated 24 July, 2007 for the offer of a minimum of 20,000,000 Shares at an issue price of 20 cents each to raise a minimum of \$4,000,000.

Listing Rules or ASX Listing Rules means the official Listing Rules of ASX.

Offer means the offer of Options pursuant to this Prospectus.

Offer Period means the period commencing on the Opening Date and ending on the Closing Date.

Official List means the Official List of ASX.

Opening Date means the date on which the Offer opens, as set out in Section 3.

Option means an option for one Share in the Company on the terms set out in section 6.7 of this Prospectus.

Prospectus means this prospectus dated 14 December 2007 for the issue of up to 12,875,000 Options including any electronic or online version.

Quotation and Official Quotation means official quotation on ASX.

Share means 1 fully paid ordinary Share in the Company.

Shareholder means a holder of Shares.

Shortfall means the Options (if any) not taken up under the Entitlement Issue.

Shortfall Application Form means the shortfall application form attached to or accompanying this Prospectus.

(Insert Application Form)

TO BE COMPLETED ONLY ON INSTRUCTIONS FROM THE DIRECTORS OR CARMICHAEL CAPITAL MARKETS PTY LIMITED

SHORTFALL APPLICATION FORM

**AUGUR RESOURCES LIMITED
ABN 72 112 546 700**

I/We declare that this application is completed according to the declarations/appropriate statements and in accordance with the instructions and agree to be bound by the Constitution of Augur Resources Limited. I/We agree to take any number of Options equal to or less than the number applied for. I/We authorise the Directors to complete or amend this Shortfall Application Form where necessary to correct any errors or omissions.

NOTE: Return of this Shortfall Application Form with your cheque, bank draft or transfer of funds directly to the Company's bank account (subject to prior arrangement) for the application monies will constitute your offer to subscribe for Options in the Company. No signature is required. You should read the Prospectus before completing this Shortfall Application Form.

USE BLOCK LETTERS

TITLE	GIVEN NAMES	SURNAME	Tax File Number(s) or exemption category
TITLE JOINT APPLICATION NO. 2 OR ACCOUNT DESIGNATION			
ADDRESS			
SUBURB/TOWN	STATE	P/CODE	
CONTACT NAME	TELEPHONE WORK	TELEPHONE HOME	
PID	HIN		
I/WE APPLY FOR		APPLICATION MONEY	
SHARES		A\$	
Cheque Details			
DRAWER	BANK	BRANCH	AMOUNT OF CHEQUE

Cheques should be made payable to "Augur Resources Limited".