

**POTENTIAL \$6.75 MILLION PLACEMENT
AND SALE OF WONOGIRI PART INTEREST**
(ASX: AUK)

30 September 2013

- **Placement to the Rajawali Group to raise \$6.75 million in two tranches.**
- **Rajawali Group, at completion of the second tranche, will hold a 35% interest in Augur and can subscribe for a 35% interest in PT Alexis Perdana Mineral ('PT Alexis'), an Indonesian company which holds the licence covering the Wonogiri project.**
- **Rajawali Group is one of Indonesia's largest conglomerates with interests in mining, minerals, infrastructure, transportation, hospitality and agriculture.**
- **Funds will be used to complete a scoping study of the Randu Kuning gold-copper deposit, further exploration and for ongoing working capital.**

The Directors are pleased to advise that Augur Resources Ltd ('Augur' or 'the Company') has entered into a binding Subscription Agreement ('Agreement') with the Rajawali Group ('Rajawali'), one of Indonesia's largest privately owned conglomerates. The Agreement, which is subject to a number of conditions precedent, including approval of Augur shareholders, provides for Rajawali to initially subscribe for 60,000,000 Augur shares ('Initial Shares') equivalent to 22.6% of the Company's issued shares for cash consideration of \$3.0 million. Additionally, Rajawali has an option to subscribe for an additional 50,536,400 Augur shares for \$3.75 million ('Additional Consideration'). Upon receipt of the Additional Consideration, Augur will cause Wonogiri Pty. Ltd, its subsidiary, to sell a 35% interest in its subsidiary PT Alexis to Rajawali for \$50,000. Wonogiri Pty Ltd is the 90% owner of PT Alexis.

Managing Director of Augur, Grant Kensington comments: "The opportunity to team up with a well respected Indonesian company, with significant Indonesian mining experience, such as Rajawali is an exciting and important step for Augur and bodes well for the ongoing development of the Wonogiri project and for Augur itself."

The issue price of the Initial Shares represents a premium to the 5 day VWAP of 150% and a premium to the 30 day VWAP of 184%. This injection of funds into the Company will be used for to complete a scoping study of the Randu Kuning gold-copper deposit, further exploration and for ongoing working capital.

Within thirty days after an announcement to the ASX notifying the completion of this scoping study, Rajawali may exercise its option to subscribe for an additional 50,536,400 shares in the Company by paying the Additional Consideration of \$3.75 million to Augur.

At that time, and in the absence of any further issues of Augur shares, Rajawali will hold a 35% interest in the Company. At the same time, by paying an additional \$50,000 to the Company, Rajawali can subscribe for a 35% interest PT. Alexis, the holder of the Wonogiri project licence. At completion of the acquisition by Rajawali Initial Shares, Augur has agreed to appoint a nominated representative of Rajawali to the Board of Augur as a Non-Executive Director.

The agreement is subject to a number of condition precedent, including the approval of Augur shareholders. An Independent Experts' Report for inclusion in a notice of meeting is being prepared by Lonergan Edwards & Associates Limited and Notices of Meeting will be circulated as soon as possible.

Wonogiri Project

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

Rajawali Group

Rajawali was founded in 1984 and is one of the largest privately owned conglomerates in Indonesia. Its core interests include mining, minerals, infrastructure, transportation, hospitality and agriculture. Rajawali have a 52.6% share in Archipelago Resources plc, owners of the Toka Tindung gold mine, which produced 139,012 AuEq ounces in 2012 at a cash cost of US\$635 (net of silver credits) and a 57.1% ownership of Indo Mines Limited, owners of the Jogjakarta iron project in Java.

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

Yours sincerely



Grant Kensington
Managing Director

Statement of Compliance

The information in this report that relates to Mineral Resources and Exploration Results is based on information compiled by Augur staff and contractors and approved by Mr Grant Kensington, geoscientist, who is a Member of the Australasian Institute of Mining and Metallurgy. Grant Kensington is a full-time employee of the Company who has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Grant Kensington has consented to the inclusion in this report of the matters based on his information in the form and context in which they appear.

Mineralisation cut-off used for the Wonogiri project is 0.2 g/t gold and/or 0.2% copper with a maximum contiguous dilution interval of 4.0 metres. Sample intervals are generally either 1.0 metre or 2.0 metres. Assaying has been completed by PT Intertek Utama Services, a subsidiary of Intertek Group Inc. Blanks and/or independent standards are used in each sample batch at approximately each 10 sample interval.

¹ Gold Equivalent Calculation

Where reported, Gold Equivalent results are calculated using a gold price of US\$1,198/oz and a copper price of US\$6,945/t. Silver is excluded from the gold equivalent calculation as no metallurgical testing of the recovery properties of silver from this project has occurred. In calculating Gold Equivalents for the drill results in the table above, gold and copper recoveries are assumed to be 100%. As previously reported, metallurgical testing has resulted in mean recoveries from sulphide material of over 82.5% for gold and 94% for copper. It is the Company's opinion that all metals used in the equivalent calculation have a reasonable potential to be recovered in the event that material from the Wonogiri project was to undergo processing.

The gold equivalent calculation used is $AuEq (g/t) = Au (g/t) + ((Cu (\%)*6945)/38.51)$

(i.e.: 1.0% Cu = 1.80 g/t Au)

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