



28 July 2006

The Manager
Company Announcements Office
Australian Stock Exchange Limited
PO Box H224 Australia Square
SYDNEY NSW 2000

Announcement

AURORA MINERALS 20 CENT LISTED OPTIONS

FULLY UNDERWRITTEN

INTERNATIONAL CONGLOMERATE SUBUNDERWRITES 90%

Aurora Minerals Limited (ASX code ARM) is pleased to announce that its 9,967,500 Listed Options (ASX code ARMO) each with an exercise price of 20 cents due to expire on 31 July 2006 have been fully underwritten by Melbourne stock broker Intersuisse Limited.

The priority sub-underwriter for the Listed Options is Emerald Trust which is associated with the Emerald Group of companies. The group has international interests in Russia, the European Union, the UK and Australasia, including hotel and apartment developments, oil and gas, satellite remote sensing, engineering, farming, forestry and vineyards.

Emerald Mining Limited, also associated with the Emerald Group of companies, has contributed NZ\$2,000,000 to the first year of the joint venture at Aurora's Hazelbrook Project in New Zealand, and recently commenced funding year two of the joint venture's programs. Emerald Mining has the right to earn up to a 50% interest in the joint venture by providing NZ\$10 million in funding.

Details

The documentation for the option underwriting has only just been completed ahead of their July 31st expiry and to assist option holders wishing to exercise options they can contact Ric Moore at the Company's Perth Office on 08 9322 6891 or Ken Banks in Sydney on 0402079999 to receive direct transfer banking details.

The allotment of shares arising from the exercise and underwriting of the Listed Options is expected to be finalised by 14 August 2006.

Following this Intersuisse has been commissioned on a best endeavours basis to then place up to a further 6,250,000 ordinary fully paid shares in Aurora Minerals at a price of 20 cents to raise up to a further \$1,250,000 by way of a placement.

Emerald Trust will subscribe for shares in the placement such that its percentage of shares does not exceed 19.9% of the Company's issued capital.

The Company's current cash position (including receivables and bonds) is approximately \$2.25 million. The exercise by option holders and underwriting of the Listed Options and subsequent placement will strengthen the Company's cash position to approximately \$5.5 million.

Intersuisse has been engaged to arrange that any shortfall from the exercise of options by option holders, and the placement shares, be placed to professional and sophisticated investors within the meaning of the Corporations Act.

No approval under Listing Rule 7.1 is required for the Underwriting or for the Placement.

The purpose of the issue is to replenish the Company's funds for exploration including its joint venture commitments at Weebacarry (gold) and Ryansville (iron ore), business development, and working capital.

In addition, Aurora Minerals has greatly increased its exploration project portfolio in recent months, and now has extensive tenements and applications in Western Australia which are prospective for gold, base metals, uranium and iron ore, and an expanding business development strategy for new projects. Budgeting by the Company proposes a significant increase in expenditure and additional funding requirements are currently being considered.

Intersuisse will receive fees for underwriting the options of 2% of the value of the 9,967,500 underwritten Listed Options, plus 3% of the value of the Listed Options sub-underwritten by parties other than the Emerald Trust.

Garry P O'Hara
Executive Director

Phillip Jackson
Chairman

CONTACTS

Email: info@auroraminerals.com

Website: www.auroraminerals.com

Investor Relations: Ken Banks

Mobile Australia 0402 079 999

New Zealand 0061 402 079 999