Aurora
Minerals Limited
ABN 46 106 304 787

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

ANNOUNCEMENT

Capricorn Project Update, Central Western Australia

Under-explored Proterozoic Base Metal and Hard Rock Uranium Province

Aurora Minerals 100%

HIGHLIGHTS

- **Eleven additional ELAs extend Capricorn Project to the East**
- **Targeting**
  - **Mt Isa style Pb-Zn-Ag, Cu massive sulphide deposits**
  - **Stratabound Valhalla–style uranium deposits**

Aurora Minerals Limited is pleased to announce a further series of exploration licence applications at the eastern end of its exciting Capricorn Project located 350km inland from the port of Carnarvon in Central Western Australia. The Company has accumulated a major 100% owned stake in this province.

The Capricorn Project is situated along the northern margin of part of the western Bangemall Basin and covers the steeply dipping Talga Fault (the major basin margin fault recently discovered by Western Australia government geologists), a further 80kms of interpreted extensions to the southeast, and the Proterozoic Age sedimentary rocks located either side of it. These are the shallow dipping rocks of the Pingandy Shelf to the north and the more steeply dipping compressed and folded sedimentary rocks of the Edmund Fold Belt to the south.

The new exploration licence applications cover an area of approximately 2,340km^2 located east of the main project area.

Six of the Aurora's exploration licences have now been granted.

The Company has in the past two weeks acquired detailed satellite imagery over the province which has led to the new acquisitions. It will now undertake a review of previous exploration data and report the results in due course.

The satellite imagery is also being analysed to assist in identifying structures, alteration and mineralization trends in the broader project area, with particular focus on the Talga Fault.

Talga Fault

As previously reported, Geological Survey of Western Australia geologists discovered the Talga Fault during detailed mapping in the Proterozoic Bangemall Basin in Western Australia and recognized its significance in both the formation and sedimentation of the Bangemall Basin. The GSWA maps were published in 2004.

Basin margin growth faults within other Proterozoic terrains around Australia and the world are known to host world-class base metal and uranium deposits.

Research of previous exploration results at the Western Australia Department of Industry and Resources indicates that there has been only limited previous work in the project area, which discovered extensive mineralisation along the Pingandy Shelf north of the Talga Fault. This exploration does not appear to have extended into the Talga Fault zone.

Desert Energy Limited

The first of Aurora's calcrete uranium tenements has now been granted by the Western Australia Department of Industry and Resources. As these tenements are granted the Company intends to seek Ministerial approval for transfer to Desert Energy to facilitate the float process.

New Zealand

As announced in December 2006, Aurora has entered a Heads of Agreement with Canadian listed company Glass Earth Inc to explore the large Macraes West gold exploration project along strike to the east of the major Macraes Gold Mine in the South Island of New Zealand. Once the agreement terms are finalized and Crown Minerals has approved the joint venture and modified work program, Glass Earth is expected to undertake an extensive geophysical survey on the project to assist target selection.

In line with the Company's evolving focus in Western Australia it will withdraw from its other New Zealand projects where results to date have been mixed.

Yours faithfully

Robert Taylor
Managing Director

Garry O'Hara
Executive Director

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr Robert S Taylor, a Member of The Institute of Materials, Minerals and Mining and Mr Garry P O'Hara, a corporate member of the Australasian Institute of Mining and Metallurgy.

Robert Taylor and Garry O'Hara are both executive directors of Aurora Minerals Limited and consult to the Company through their respective consulting companies Able Kids Pty Ltd and Anketell Pty Ltd.

Robert Taylor and Garry O'Hara have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Robert Taylor and Garry O'Hara consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.

CONTACTS

If you would like further information on the Company's projects you can call

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The Company's website is recommended reading for interested market watchers, brokers and investors. The website contains information on the Company's projects including maps, a list of the Companies announcements to ASX, the legislative environments under which the Company operates, Corporate Governance, a section on risks, many of which are common to exploration companies, and other useful information. A list of the Company's announcements is also obtainable from the Australian Stock Exchange website at www.asx.com.au

If you would like copies of announcements emailed to you can contact Ken Banks.