29 December 2009

The Manager
Company Announcements Office
Australian Securities Exchange Ltd
4th Floor, 20 Bridge Street
SYDNEY NSW 2000

UPDATE ON SETTLEMENT FOR THE DISPOSAL OF INTEREST IN THE DOSTYK PROJECT, KAZAKHSTAN

The Board of Augustus Minerals Limited ("Augustus" or the "Company") wishes to advise that it has received a further payment of US$100,000 from Cigma Metals Corporation ("Cigma") in respect of the Company's sale of its beneficial interest in the Dostyk Project (refer ASX announcement of 2 September 2009).

Of this amount, US$15,000 will be applied as interest and expense reimbursement and US$85,000 will be applied to reduce the capital component of the amount outstanding.

These funds reduce the capital component of the amount outstanding to US$765,000 which is due and payable on 1 February 2010 in full and final settlement.

Yours faithfully,

Mathew Walker
Executive Director

For further information please contact:
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