



Interim Financial Report
for the half-year ended 31 December 2014

Corporate Information

ABN 79 106 879 690

Directors

Norman A. Seckold - Chairman
Justin C. Werner – Managing Director
Peter J. Nightingale - Director

Company Secretary

Richard J. Edwards

Principal Place of Business and Registered Office

Level 2, 66 Hunter Street
Sydney NSW 2000
Australia

Auditors

KPMG
Level 16, Riparian Plaza
71 Eagle Street
Brisbane QLD 4000

Bankers

Westpac Bank
Market & Clarence Streets
Sydney NSW 2000

Solicitors

Minter Ellison
88 Phillip Street
Sydney NSW 2000

Share Registry

Computershare
117 Victoria Street
West End QLD 4101

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Augur Resources Ltd and its controlled entities

Directors' Report

The Directors of Augur Resources Ltd ('Augur' or 'the Company') and its subsidiaries ('the Group') submit their report for the half-year ended 31 December 2014 and the review report thereon.

DIRECTORS

The names of the Directors of the Company in office during the half-year period and until the date of this report were:

Norman A. Seckold – Director since 30 November 2009
Peter J. Nightingale – Director since 30 November 2009
Justin C. Werner – Director since 23 December 2010
Grant L. Kensington – Director from 18 February 2008 until 17 November 2014.

RESULTS

The loss of the Group for the half-year after providing for income tax amounted to \$485,661 (2013 - loss of \$1,841,442).

REVIEW OF OPERATIONS

The Augur Group is a resource development group, with a focus on the Wonogiri gold and copper project in Indonesia and the Gorontalo properties, which are exploration properties in Gorontalo, North Sulawesi that were acquired during the half year. The Group also has interests in a number of exploration projects in central New South Wales.

The Wonogiri project is located in central Java. Detailed exploration has defined the Randu Kuning gold-copper porphyry deposit. The resource consists of 1.54 million ounces gold equivalent ('Moz AuEq') and remains open at depth and to the east and south. The Company completed a scoping study for the Randu Kuning deposit with positive results, as announced in March 2014. The Company is in the process of completing an Environmental Assessment Plan (AMDAD/AMDAL), converting the Wonogiri IUP from Exploration Stage to Exploitation Stage and conducting feasibility studies, all aimed at bringing the project into production.

In central New South Wales, Augur has reported JORC compliant resource estimates for the Yeoval and Homeville deposits.

Yeoval is a porphyry copper-gold-molybdenum-silver deposit with an Inferred Resource of 12.9 million tonnes ('Mt') at 0.38% copper, 0.14 g/t gold, 120.1ppm molybdenum and 2.2 g/t silver, using a 0.2% copper cut-off. The resource is open at depth and mineralisation has not been closed off, particularly to the east.

The Homeville deposit has an Inferred Resource of 16.3 Mt at 0.93% nickel and 0.05% cobalt. The deposit is very shallow and consists of a mineralised limonite clay horizon and a lower mineralised saprolite horizon.

Indonesia

Wonogiri Project (45% Augur)

The 3,928 hectare Wonogiri project, one of the latest major discoveries in the highly mineralised Indonesian archipelago, is located in central Java.

Lying within the Wonogiri project, Augur has discovered the Randu Kuning deposit, a highly altered wall rock porphyry gold-copper deposit with a defined JORC compliant resource of 1.54 million ounces gold equivalent ('AuEq'1), comprising 90.9 million tonnes ('Mt') at 0.53 g/t AuEq (0.35 g/t gold and 0.10% copper) using a cut-off of 0.2 g/t AuEq.

The Wonogiri project is supported by quality infrastructure, is located approximately 30 kilometres to the south of the provincial city of Solo and is easily accessible by daily flights from the capital Jakarta and a short one hour drive by car on sealed roads. The surrounding area has grid power, a large dam and numerous river and stream systems. Altitude of the Randu Kuning deposit is at approximately 200 metres above sea level.

Augur Resources Ltd and its controlled entities

Directors' Report

The surface area above the Randu Kuning deposit has no forestry restrictions.

Randu Kuning is only one of a number of gold and copper prospects at Wonogiri. Follow up of these other prospects is to be undertaken.

The JORC compliant resource comprises 90.9 million tonnes ('Mt') at 0.53 g/t AuEq (0.35 g/t gold and 0.10% copper), using a cut-off of 0.2 g/t AuEq (see ASX release dated 10 July 2012).

Resource Class	Tonnes (million)	AuEq (g/t)	Au (g/t)	Cu (%)	AuEq (million ounces)	Au (million ounces)	Cu (million pounds)	Cut off (AuEq g/t)
Measured	28.3	0.84	0.56	0.15	0.765	0.513	132.7	0.2
Indicated	5.3	0.66	0.45	0.11	0.113	0.078	42.8	0.2
Inferred	57.1	0.36	0.23	0.07	0.660	0.423	22.9	0.2
Total	90.9	0.53	0.35	0.10	1.538	1.014	199.6	0.2

Resource estimate of the Randu Kuning deposit within the Wonogiri project.

To date, a total of 19,000 metres of drilling in 72 diamond drill holes have been completed at the Wonogiri project. Forty four of these (12,462 metres) have been drilled at the Randu Kuning prospect area. The average depth of drilling is 285 metres. Drill hole coordinates and assay results have been reported previously by the Company and are available on the Company's website.

Future drilling at the Wonogiri property will now focus on infill drilling at the Randu Kuning prospect to better define the measured resource within the conceptual starter pit area and also select drilling as part of a geotechnical program to obtain rock character and hydrological data for the open pit design.

Wonogiri Metallurgical Studies

Metallurgical testwork completed during the half year investigated gold only recovery process options including gravity separation and cyanide leaching along with other diagnostic leaches. Results as reported by the Company suggest that a combination of gravity separation and cyanide leaching could potentially recover up to 90% of the contained gold.

Previously reported metallurgical testwork indicates that flotation could achieve 89.0% recovery of gold and 93.4% recovery of copper to produce a high quality marketable concentrate with grades of up to 21.2% copper and 90.6 g/t gold.

The current round of testwork on a third sulphide composite sample compiled from drill core from within the conceptual open-pit will investigate optimisation of previous testwork to identify a preferred process flowsheet for recovery of both gold and copper. This work should be completed during June 2015 half year.

Aggregate Evaluation

The Company commenced with testing of two waste rock composite samples during the half year. The rock represents generally unmineralised (<0.2 g/t Au) 'waste rock' collected from drill core within the conceptual open-pit. The objective of this work is to determine if such rock would be suitable for use as aggregate material for use in the construction and cement industries in Indonesia. If a suitable product can be produced this would have a significantly positive impact on project economics.

Augur Resources Ltd and its controlled entities

Directors' Report

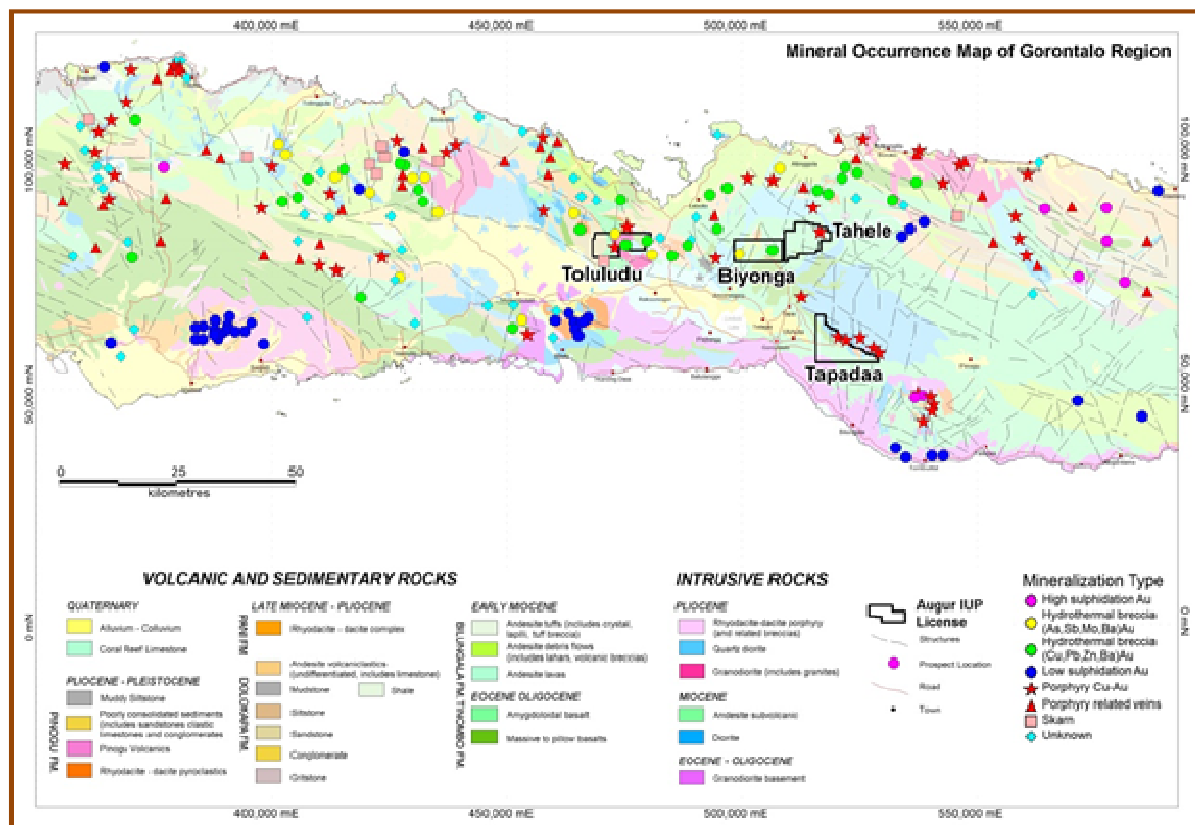
Gorontalo Properties (80% Augur)

During the half year Augur completed the acquisition of an 80% interest in four prospective copper and gold tenements in North Sulawesi, known as the Gorontalo properties, from MMG Exploration Pty Ltd ('MMG') by a total cash payment of \$200,000.

Upon completion of a bankable feasibility study on any of the tenements being acquired, MMG must elect to either:

- contribute towards expenditure of the subsidiary company holding title to the relevant tenement in proportion to its remaining 20% interest; or
- convert the remaining interest to a 2% net smelter royalty based on all production from the tenements.

The four Gorontalo properties, Tapadaa, Toluludu, Biyonga and Tahela, are located in northern Sulawesi, near the city of Gorontalo.



Geologic map of the Gorontalo region showing Augur IUP property locations and also locations of known mineral occurrences. The Tombulilato porphyry copper-gold deposit area currently in feasibility is also shown.

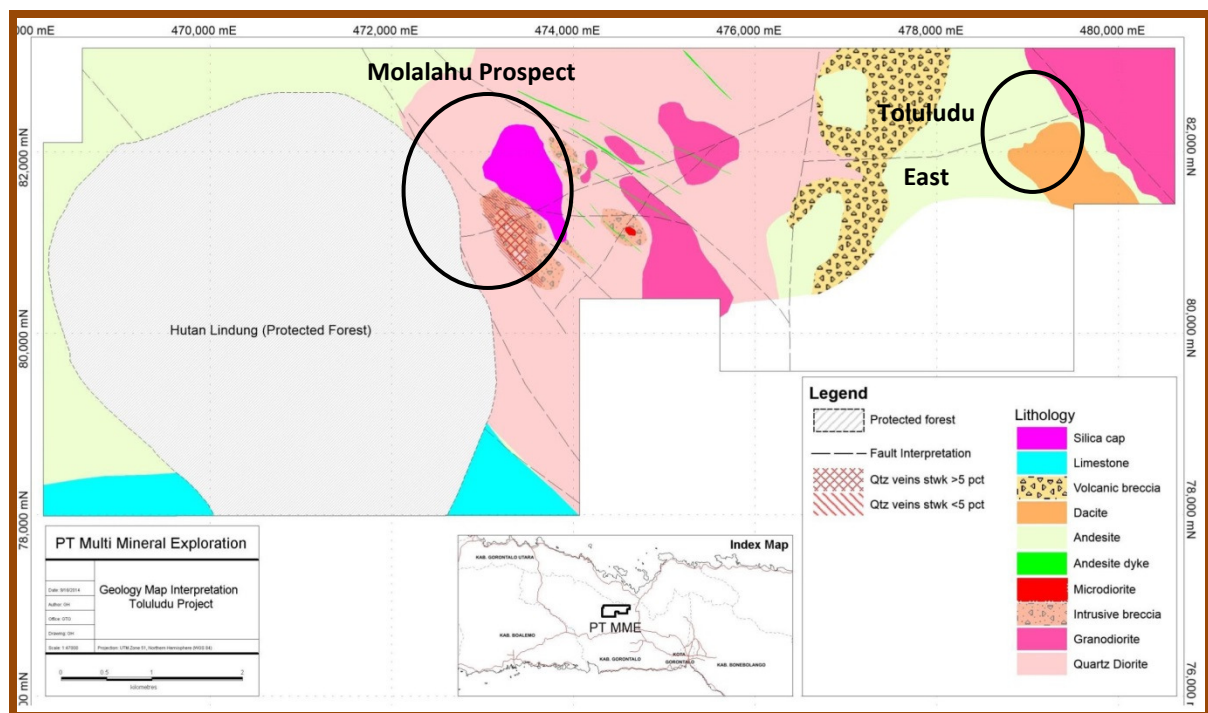
Augur Resources Ltd and its controlled entities

Directors' Report

Toluludu Property

Previous work identified two primary target areas identified as Molalahu and Toluludu East. Mapping at Molalahu has defined a 1,400 by 860 metre area of exposed stockwork-type quartz + magnetite veins coincident with potassic-type alteration. Previous sampling by MMG Exploration Pty Ltd ('MMG') reported mineralised rock-chip samples including 1.72% copper, 0.27 g/t gold and 12.4 g/t silver at Molalahu. At the Toluludu East target, mapping by Augur has identified, narrow (<1 metre) structurally-controlled quartz-sulphide veins with rock-chip samples returning up to; 8.69 g/t gold, 370 g/t silver, 4.4% copper and 0.73% zinc, effectively confirming previous exploration results.

Ground magnetic surveys completed over both areas during the half year indicated the occurrence of high magnetics coincident with the surface extents of mapped alteration and mineralisation.



Geological map of the Toluludu property showing prospect areas.

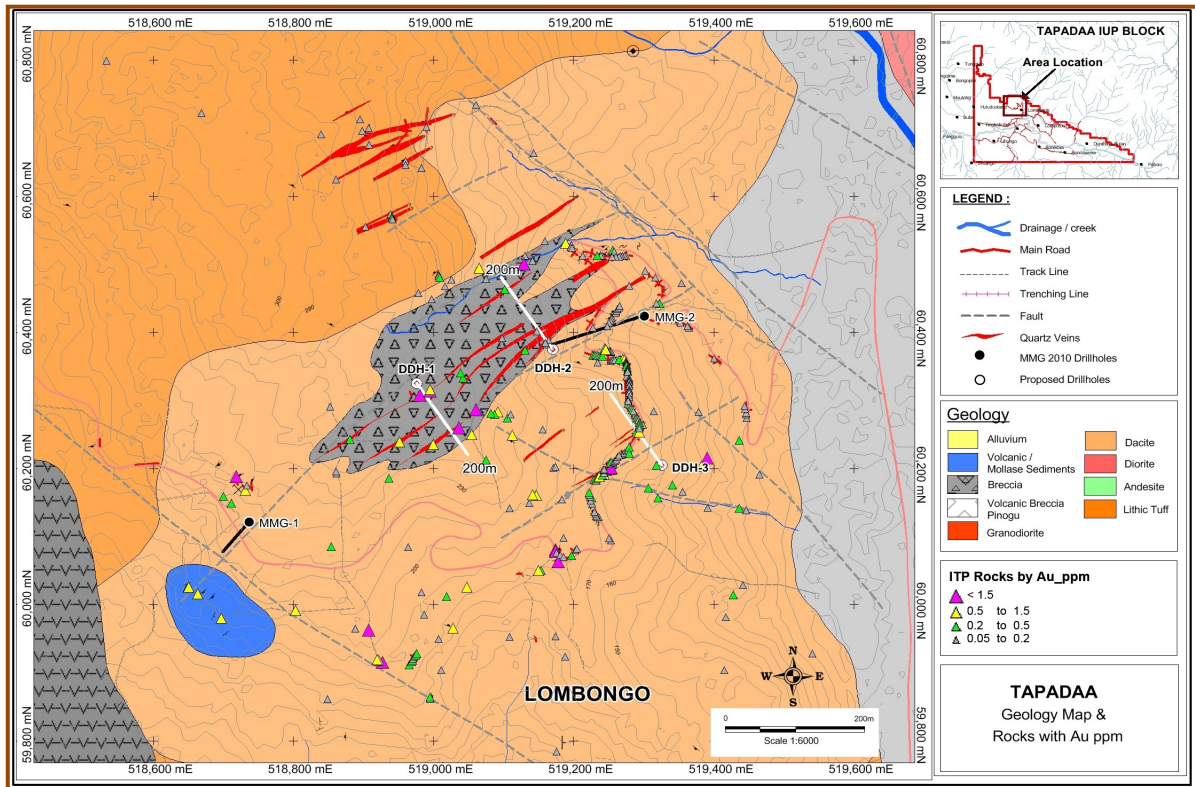
Tapadaa Property

The IUP for Tapadaa was revised due to a change of National Park boundary. The revised IUP area has been decreased from initial 6,500 hectares to the current 4,900 hectares. The downsizing has not affected any identified target areas.

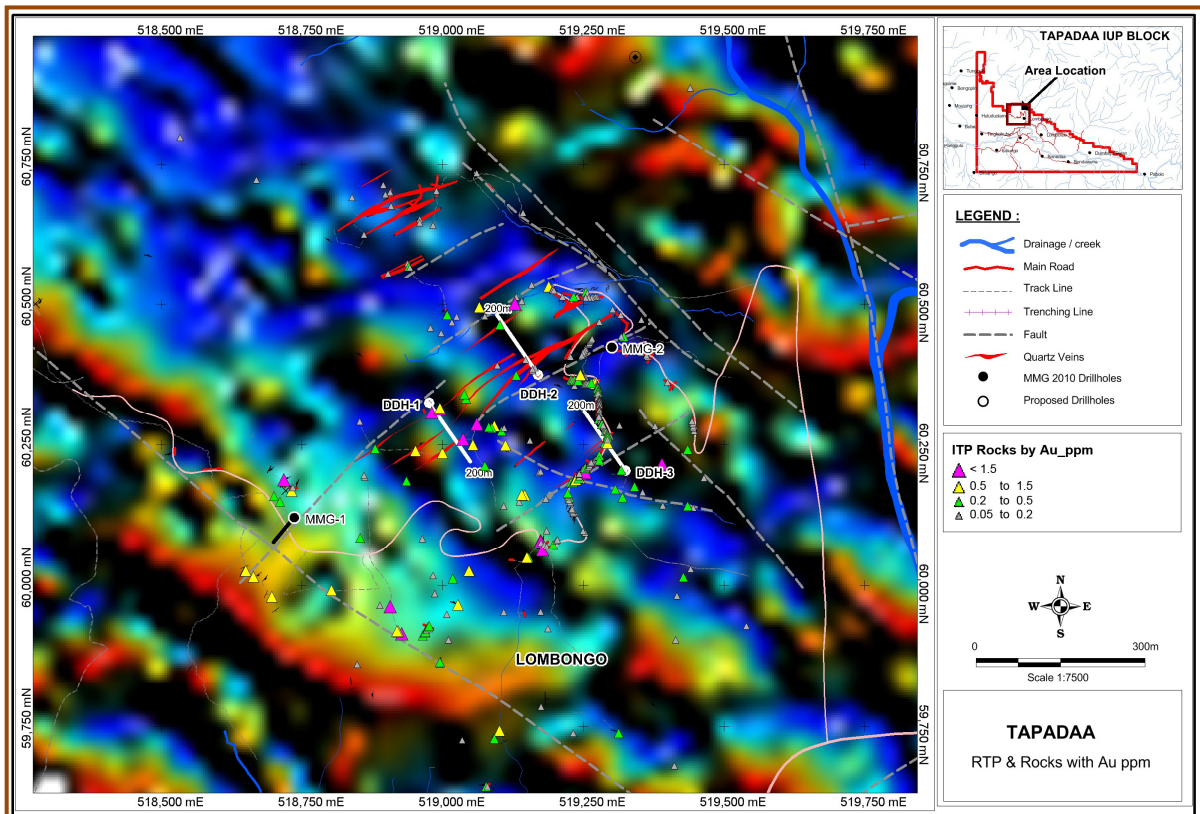
Detailed surface mapping completed during the half year identified areas of sheeted, epithermal-type quartz veins hosted within an argillic and silicified breccia. Three drill holes are proposed to test the veins to depth. Surface rock sampling returned up to 1.50 g/t gold from weathered vein material. Previous drilling by MMG was designed to test high magnetic anomalies as part of a porphyry copper-gold exploration strategy and did not test the epithermal veins. However hole MMG-2 drilled south of the veins and parallel to assumed vein direction returned 2 metres of 1.74 g/t gold from 83 metres downhole.

Augur Resources Ltd and its controlled entities

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Geological map of the Lombongo prospect area within the Tapadaa IUP property. Shows the location of surface rock samples and the extent of quartz veins and location of proposed and previous drill holes.



Reduced to Pole magnetic map for the Lombongo Prospect area within the Tapadaa IUP. Distribution of surface rock samples, quartz veins and proposed drill holes area also shown.

Augur Resources Ltd and its controlled entities

Directors' Report

Future Exploration Work

An initial 1,400 metre drill program is planned to test defined drill targets at Toluludu and Tapadaa. The program will commence pending completion of issuance of the production forest work permit for Toluludu.

Australia

The central and western region of NSW hosts a number of world class deposits including the Cadia, Ridgeway and Northparkes deposits. Augur has completed JORC compliant resource estimates for deposits at the Collierina project (total resource estimate of 16.3 Mt at 0.93% nickel and 0.05% cobalt comprising of 4.4 Mt at 0.99% nickel and 0.06% cobalt of Indicated Resource and 11.9 Mt at 0.91% nickel and 0.05% cobalt of Inferred Resource using a 0.7% nickel cut-off) and at the Yeoval project (Inferred Resource estimate 12.9 million tonnes at 0.38% copper, 0.14 g/t gold, 120ppm molybdenum and 2.2 g/t silver using a 0.2% copper cut-off).

Collierina (EL 6336 - 100% Augur and subject to farm-out agreement)

The Collierina project is located 40 kilometres south of Nyngan in central NSW, covering an area of 300 km² within the Fifield Platinum Province. The tenement contains the Homeville nickel-cobalt deposit, which was discovered by Augur in 2008.

During 2014 the Company entered into an exploration and development agreement over the Collierina project with Helix Resources Limited ('Helix'). Under the agreement, Helix paid Augur \$20,000 for the sole right to explore the tenement for precious and base metal mineralisation and will spend a minimum of \$100,000 over 12 months on the tenement. Helix receives 100% of the precious and base metal rights (excluding nickel laterite mineralisation), with Augur retaining a 1.5% net smelter royalty over any discoveries by Helix. Augur retains 100% ownership of the known nickel laterite mineralisation within the Homeville, Yethella and C1 Anomaly areas, however, Helix can explore these areas for precious metals and other base metals, subject to the clauses of the agreement.

During the half year preliminary testing of both hard and soft saprolite ore samples from Homeville was conducted using the Starved Acid Leach Technology ('SALT') process. Whilst the soft saprolite proved unamenable to the SALT process, the hard saprolite produced reasonable nickel extraction, good cobalt extraction and at the same time low iron and magnesium extractions, a key objective of the SALT process. This suggests the potential for a processing facility based on the SALT process, depending on the relative abundance of the two types of saprolite, which will be the subject of further study.

Yeoval (EL 6311 and ML 811 - 25% Augur)

Kimberly Diamonds Limited's subsidiary Zodiac Resources Pty Limited ('Zodiac') is the manager of the Yeoval project. Yeoval is a porphyry copper-gold system with near surface mineralisation. The Yeoval tenement covers an area of approximately 147 km² within the Lachlan Belt of New South Wales.

No significant results were received during the half-year. Discussions with Zodiac are continuing regarding a joint venture agreement and future plans in relation to the project.

Augur Resources Ltd and its controlled entities

Directors' Report

Corporate

Appointment of Managing Director

In August 2014 Justin Werner was appointed Managing Director. He has been a director of Augur since December 2010. Based in Indonesia, he has overseen the re-capitalisation of the Company, the re-commencement of exploration at the Wonogiri project and the acquisition from MMG Limited of an 80% interest in the Gorontalo properties.

Resignation of Director

In November 2014 Grant Kensington resigned as a Director of the Company due to ill health. He was Managing Director of Augur from February 2008 to January 2014, overseeing Augur's change of primary focus to its current operations in Indonesia.

Competent Person Statement

Information that relates to Exploration Results of the Wonogiri project and Gorontalo properties was previously reported to the ASX on 29 October 2014 and is available to view on the Company's website at www.augur.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information or supporting documentation included in the original market announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Information regarding Mineral Resources was prepared and first disclosed under the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. It has not been updated since to comply with the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' on the basis that the Company is not aware of any new information or data that materially affects the information and, in the case of the resource estimate, all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed.

The information in this report that relates to the Mineral Resources is based on information compiled by Augur staff and contractors and approved by Michael Corey PGeo., who is a Member of the Association of Professional Geoscientists of Ontario (APGO) in Canada. Michael Corey is a full-time employee of Augur and 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'. Michael Corey has consented to the inclusion in this report of the matters based on his information in the form and context in which they appear.

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 $AuEq (g/t) = Au (g/t) + ((Cu (\%) * 6,945) / 38.51)$
(i.e.: 1.0% Cu = 1.80 g/t Au)

Augur Resources Ltd and its controlled entities

Directors' Report

SUBSEQUENT EVENTS

No matters or circumstances have arisen since the end of the reporting period, which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

LEAD AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Lead Auditor's Independence Declaration on page 12 as required under Section 307C of the *Corporations Act 2001* is attached to and forms part of the Directors' Report for the half-year ended 31 December 2014.

Signed in accordance with a resolution of the Directors.



Norman A. Seckold
Chairman
Sydney, 26 February 2015



**Lead Auditor's Independence Declaration under Section 307C
of the *Corporations Act 2001* to the Directors of Augur Resources Ltd.**

I declare that, to the best of my knowledge and belief, in relation to the audit for the half-year ended 31 December 2014, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Stephen J. Board
Partner

26 February 2015
Brisbane

Augur Resources Ltd and its controlled entities
Condensed Consolidated Interim Statement of Profit or Loss and
Other Comprehensive Income
for the half-year ended 31 December 2014

	Note	31 December 2014 \$	31 December 2013 \$
Continuing operations			
Administration and consultants' expenses		(338,626)	(182,381)
Audit fees		(45,500)	(29,550)
Depreciation		(2,054)	(287)
Impairment loss - exploration and evaluation expenditure		-	(1,423,132)
Employee and Director expenses		(112,000)	(170,318)
Legal expenses		(12,268)	-
Other expenses from ordinary activities		(17,040)	(42,068)
Operating loss before financing income		(527,488)	(1,847,736)
Finance income		41,827	6,294
Net finance income		41,827	6,294
Loss before income tax		(485,661)	(1,841,442)
Income tax		-	-
Loss for the period		(485,661)	(1,841,442)
Other comprehensive income for the period			
Items that may be classified subsequently to profit or loss			
Net change in fair value of available for sale financial assets		(1,500)	12,750
Foreign currency translation		135,887	(1,090)
Total other comprehensive income		134,387	11,660
Total comprehensive loss for the period		(351,274)	(1,829,782)
Loss attributable to:			
Owners of the Company		(423,089)	(1,840,895)
Non-controlling interest		(62,572)	(547)
Loss for the period		(485,661)	(1,841,442)
Total comprehensive loss attributable to:			
Owners of the Company		(303,882)	(1,829,126)
Non-controlling interest		(47,392)	(656)
Total comprehensive loss for the period		(351,274)	(1,829,782)
Earnings per share			
Basic and diluted loss per share (cents per share)		(0.15)	(0.87)

The above statement should be read in conjunction with the accompanying notes.

Augur Resources Ltd and its controlled entities
Condensed Consolidated Interim Statement of Financial Position
as at 31 December 2014

	Note	31 December 2014 \$	30 June 2014 \$
Current assets			
Cash and cash equivalents		2,523,938	4,898,922
Trade and other receivables		109,667	120,371
Prepayments		84,795	39,673
Total current assets		2,718,400	5,058,966
Non-current assets			
Available-for-sale financial assets		27,750	29,250
Property, plant and equipment		17,934	12,975
Exploration and evaluation expenditure	3	7,232,822	5,693,150
Other Assets		15,000	15,000
Total non-current assets		7,293,506	5,750,375
Total assets		10,011,906	10,809,341
Current liabilities			
Trade and other payables		85,674	581,835
Total current liabilities		85,674	581,835
Total liabilities		85,674	581,835
Net assets		9,926,232	10,227,506
Equity			
Issued capital	4	25,628,095	25,628,095
Reserves		49,591	32,384
Accumulated losses		(16,025,642)	(15,704,553)
Total equity attributable to equity holders of the Company		9,652,044	9,955,926
Non-controlling interest		274,188	271,580
Total equity		9,926,232	10,227,506

The above statement should be read in conjunction with the accompanying notes.

Augur Resources Ltd and its controlled entities
Condensed Consolidated Interim Statement of Cash Flows
for the half-year ended 31 December 2014

	Note	31 December 2014 \$	31 December 2013 \$
Cash flows from operating activities			
Cash payments in the course of operations		(787,169)	(818,581)
Interest received		41,827	6,294
Net cash used in operating activities		(745,342)	(812,287)
Cash flows from investing activities			
Payments for exploration expenditure		(1,319,379)	(130,297)
Payments for property, plant and equipment		(3,386)	-
Payments for exploration prospects		(150,000)	-
Proceeds from refund of security deposits		-	30,000
Net cash used in investing activities		(1,472,765)	(100,297)
Cash flows from financing activities			
Proceeds from share and option issue	4	-	3,000,000
Transaction costs on share issue	4	(152,000)	(219,222)
Net cash from financing activities		(152,000)	2,780,778
Net increase in cash and cash equivalents		(2,370,107)	1,868,194
Cash and cash equivalents at 1 July		4,898,922	327,444
Effect of exchange rate adjustments on cash held		(4,877)	-
Cash and cash equivalents at 31 December		2,523,938	2,195,638

The above statement should be read in conjunction with the accompanying notes.

Augur Resources Ltd and its controlled entities
Condensed Consolidated Interim Statement of Changes in Equity
for the half-year ended 31 December 2014

	Note	Issued Capital \$	Fair Value Reserve \$	Option Premium Reserve \$	Foreign Currency Translation Reserve \$	Accumulated Losses \$	Total \$	Non- Controlling Interest \$	Total Equity \$
Balance as at 1 July 2013		21,011,416	5,250	578,687	(5,306)	(15,428,644)	6,161,403	(4,479)	6,156,924
Total comprehensive income for the period									
Loss for the period		-	-	-	-	(1,840,895)	(1,840,895)	(547)	(1,841,442)
Other comprehensive income		-	12,750	-	(981)	-	11,769	(109)	11,660
Total comprehensive loss for the period		-	12,750	-	(981)	(1,840,895)	(1,829,126)	(656)	(1,829,782)
Transactions with owners, recorded directly in equity									
Contributions by and distributions to owners									
Issue of shares	4	1,200,000	-	-	-	-	1,200,000	-	1,200,000
Issue of options	4	-	-	1,800,000	-	-	1,800,000	-	1,800,000
Transaction cost on issue of shares		(219,222)	-	-	-	-	(219,222)	-	(219,222)
Transfer of expired options		-	-	(190,687)	-	190,687	-	-	-
Total contributions by and distributions to owners		980,778	-	1,609,313	-	190,687	2,780,778	-	2,780,778
Balance at 31 December 2013		21,992,194	18,000	2,188,000	(6,287)	(17,078,852)	7,113,055	(5,135)	7,107,920
Balance as at 1 July 2014		25,628,095	16,500	102,000	(86,116)	(15,704,553)	9,955,926	271,580	10,227,506
Total comprehensive income for the period									
Loss for the period		-	-	-	-	(423,089)	(423,089)	(62,572)	(485,661)
Other comprehensive income		-	(1,500)	-	120,707	-	119,207	15,180	134,387
Total comprehensive loss for the period		-	(1,500)	-	120,707	(423,089)	(303,882)	(47,392)	(351,274)
Transactions with owners, recorded directly in equity									
Contributions by and distributions to owners									
Transfer of expired options		-	-	(102,000)	-	102,000	-	-	-
Non-controlling interest on acquisition of subsidiaries	6	-	-	-	-	-	-	50,000	50,000
Total contributions by and distributions to owners		-	-	(102,000)	-	102,000	-	50,000	50,000
Balance at 31 December 2014		25,628,095	15,000	-	34,591	(16,025,642)	9,652,044	274,188	9,926,232

The above statement should be read in conjunction with the accompanying notes.

Augur Resources Ltd and its controlled entities

Notes to the Condensed Consolidated Interim Financial Statements

for the half-year ended 31 December 2014

1. REPORTING ENTITY

Augur Resources Ltd (the 'Company') is a company domiciled in Australia. The condensed consolidated interim financial statements of the Company as at and for the half-year ended 31 December 2014 comprise the Company and its controlled entities (together referred to as 'the Group').

The Group is a for-profit entity and is primarily involved in the exploration of gold and copper projects.

The consolidated annual financial report of the Group as at and for the year ended 30 June 2014 is available upon request from the Company's registered office at Level 2, 66 Hunter Street, Sydney, NSW, 2000 or at www.augur.com.au.

2. BASIS OF PREPARATION

(a) Statement of compliance

The condensed consolidated interim financial statements are general purpose financial statements prepared in accordance with the requirements of the *Corporations Act 2001* and Accounting Standard AASB 134 '*Interim Financial Reporting*'.

The condensed consolidated interim financial statements do not include full disclosures of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual financial report for the year ended 30 June 2014 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the ASX Listing Rules.

These condensed consolidated interim financial statements were authorised for issue by the Directors on 26 February 2015.

(b) Estimates

The preparation of the condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the accounting policies of the Group and the key sources of estimation uncertainty were the same as those that applied in the consolidated annual financial report for the year ended 30 June 2014.

(c) Changes in accounting policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated annual financial report as at and for the year ended 30 June 2014.

Augur Resources Ltd and its controlled entities
Notes to the Condensed Consolidated Interim Financial Statements
for the half-year ended 31 December 2014

	As at 31 December 2014 \$	As at 30 June 2014 \$
3. EXPLORATION AND EVALUATION EXPENDITURE		
New South Wales	970,285	958,479
Indonesia	6,262,537	4,734,671
	7,232,822	5,693,150

The ultimate recoupment of these costs is dependent on the successful development and exploitation, or alternatively sale, of the respective areas of interest.

	As at 31 December 2014 \$	As at 31 December 2013 \$
4. CAPITAL AND RESERVES		
Issued and paid up capital		
315,818,198 ordinary shares fully paid (30 June 2014 – 315,818,198)	25,628,095	21,992,194

	Nº of shares	\$	Nº of shares	\$
Ordinary shares				
Fully paid ordinary shares carry one vote per share and carry the right to dividends.				
Movement in ordinary shares on issue				
Balance at the beginning of the period	315,818,198	25,628,095	205,281,798	21,011,416
Shares issued during the period				
Fully paid ordinary shares issued 11 December 2013	-	-	60,000,000	1,200,000*
Transaction costs	-	-	-	(219,222)
Balance at the end of the period	315,818,198	25,628,095	265,281,798	21,992,194

*During the half-year ended 31 December 2013, the Company issued 60,000,000 new fully paid ordinary shares to PT. Archi Indonesia ('PT Archi'), following receipt of subscription consideration of \$3,000,000. In addition, the Company had granted to PT Archi the option to subscribe for a further 50,536,400 fully paid ordinary shares in the Company for \$3,750,000, and acquire 8,400 fully paid ordinary shares in a subsidiary of the Company, PT Alexis Perdana Mineral, for \$50,000, as approved by shareholders at the 2013 Annual General Meeting.

The \$3,000,000 subscription consideration received was recognised in equity with \$1,200,000 classified within equity as issued share capital and \$1,800,000 classified within equity to reflect the fair value of the options.

Augur Resources Ltd and its controlled entities
Notes to the Condensed Consolidated Interim Financial Statements
for the half-year ended 31 December 2014

5. SEGMENT REPORTING

The Group determines and presents operating segments based on the information that is internally provided to the Board. Inter-segment pricing is determined on an arm's length basis.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly income earning assets and revenue, interest bearing loans, borrowings and expenses, and corporate assets and expenses.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

Geographical segments

For the half-year ended 31 December 2014 the Group principally operated in Indonesia and NSW, Australia in the mineral exploration sector.

The Group has two reportable geographic segments, as described below:

Operating Segment	Indonesia \$	NSW \$	Unallocated \$	Consolidated total \$
31 December 2014				
Segment revenue				
Revenue - external	-	-	-	-
Finance income	-	-	41,827	41,827
Total revenue	-	-	41,827	41,827
Segment loss before income tax				
	(119,679)	-	(365,982)	(485,661)
Segment assets	6,398,797	985,285	2,627,824	10,011,906
Segment liabilities	29,721	-	55,953	85,674
31 December 2013				
Segment revenue				
Revenue - external	-	-	-	-
Finance income	-	-	6,294	6,294
Total revenue	-	-	6,294	6,294
Segment loss before income tax				
	(5,467)	(1,423,132)	(412,843)	(1,841,442)
Segment assets	4,657,938	981,850	1,659,820	7,299,608
Segment liabilities	124,570	-	67,118	191,688

6. ACQUISITION OF ASSETS

During the half year the Company completed the acquisition of an 80% interest in the Gorontalo Properties in Indonesia, via the acquisition of an 80% interest in MMG Exploration Singapore (Number One) Pte. Ltd. and MMG Exploration Singapore (Number Two) Pte. Ltd., both incorporated in Singapore. The acquisition was accounted for as an acquisition of assets and the consideration paid of \$200,000 was attributed to exploration and evaluation assets. The value attributed to the 20% non-controlling interest was \$50,000.

Augur Resources Ltd and its controlled entities

Notes to the Condensed Consolidated Interim Financial Statements for the half-year ended 31 December 2014

7. SUBSEQUENT EVENTS

No matters or circumstances have arisen since the end of the reporting period, which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

8. RELATED PARTIES

Key management personnel and director transactions

A number of key management persons, or their related parties, hold positions in other entities that result in them having control or joint control over the financial or operating policies of those entities.

These entities transacted with the Group during the half year as follows:

- During the half-year year ended 31 December 2014, Norman Seckold and Peter Nightingale held a controlling interest in an entity, Mining Services Trust, which provided full administration services to the Group, including rental accommodation, administrative staff, services and supplies. Fees paid to Mining Services Trust during the year amounted to \$190,321 (31 December 2013 - \$128,100). At 31 December 2014 there were \$5,100 of fees outstanding (2013 - \$29,600).

9. FINANCIAL INSTRUMENTS

Financial risk management

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated annual financial report as at and for the year ended 30 June 2014.

Carrying amounts versus fair values

The carrying amounts of financial assets and financial liabilities included in the balance sheet approximate fair values.

Financial instruments carried at fair value

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
31 December 2014				
Available-for-sale financial assets	27,750	-	-	27,750
31 December 2013				
Available-for-sale financial assets	30,750	-	-	30,750

All available-for-sale financial assets relate to investments held in listed equity securities.

Augur Resources Ltd and its controlled entities Directors' Declaration

In accordance with a resolution of the Directors of Augur Resources Ltd, I state that:

In the opinion of the Directors:

- (a) the financial statements and notes set out on pages 13 to 20 are in accordance with the *Corporations Act 2001* including:
 - (i) giving a true and fair view of the Group's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
 - (ii) complying with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.



Norman A. Seckold
Chairman

Sydney, 26 February 2015



Independent Auditor's Report to the Members of Augur Resources Ltd

We have audited the accompanying interim financial report of Augur Resources Ltd ('the Company'), which comprises the condensed consolidated interim statement of financial position as at 31 December 2014 and the condensed consolidated interim statement of profit or loss and other comprehensive income, condensed consolidated interim statement of changes in equity and condensed consolidated interim statement of cash flows for the half-year ended on that date, notes 1 to 9 comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the Group comprising the Company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' Responsibility for the Interim Financial Report

The directors of the Company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the interim financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the interim financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the interim financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the interim financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the interim financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the interim financial report.

We performed the procedures to assess whether in all material respects the interim financial report presents fairly, in accordance with the *Corporations Act 2001* and Australian Accounting Standard AASB 134 *Interim Financial Reporting*, a true and fair view which is consistent with our understanding of the Group's financial position and of its performance.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.



Independent Auditor's Report to the Members of Augur Resources Ltd

Conclusion

In our opinion the interim financial report of Augur Resources Ltd is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Group's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
- b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

KPMG
26 February 2015
Brisbane

Stephen J. Board
Partner