

31 July 2014

The Manager Companies
ASX Limited
20 Bridge Street
Sydney NSW 2000

(10 pages by email)

**REPORT ON ACTIVITIES FOR THE QUARTER ENDED
30 JUNE 2014
(ASX: AUK)**

HIGHLIGHTS

- Exercise by the Rajawali Group of the Augur and Alexis options, injecting a further \$3.8 million
- Regional drilling at Wonogiri intersects high grade epithermal gold and silver mineralisation
- Completion of the acquisition of a majority interest in MMG's Indonesian copper and gold portfolio

Further Investment by Rajawali Group

Following the release of the positive scoping study on the Randu Kuning deposit, part of the Wonogiri project, during the March quarter, the Rajawali Group ('Rajawali') notified Augur Resources Ltd ('Augur' or 'the Company') of its intention to exercise its option to make a further investment in the Company. In June 2014, following completion of administrative procedures by the Company, 50,536,400 fully paid ordinary Augur shares were issued for consideration totalling \$3.75 million, or approximately \$0.074 per share.

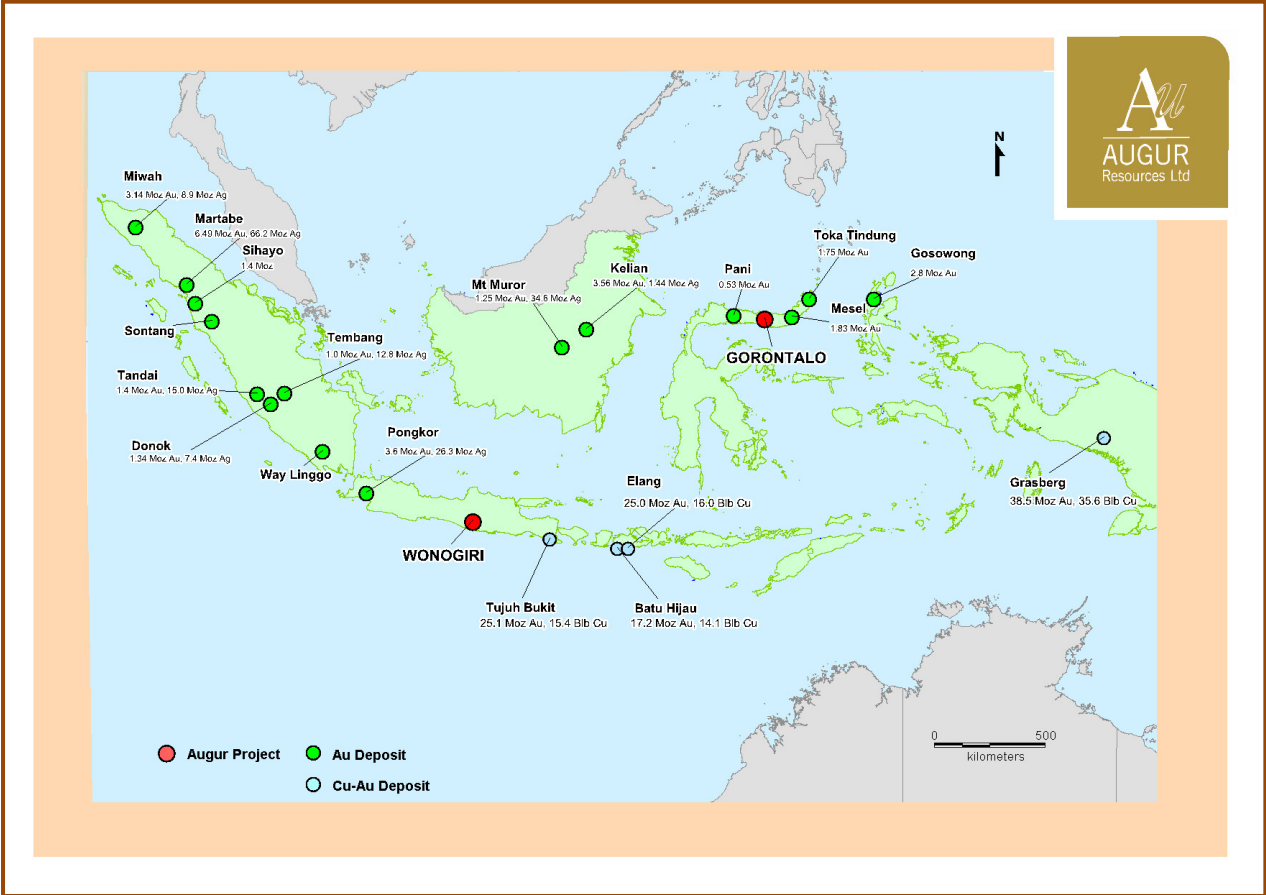
In addition, upon receipt of this subscription amount, Augur caused its wholly owned subsidiary, Wonogiri Pty Ltd, to sell a 35% interest in its subsidiary PT Alexis Perdana Mineral, the holder the Wonogiri project licence, to Rajawali for \$50,000.

Completion of Acquisition of Gorontalo Properties

Following the end of the quarter the Company completed the acquisition of an 80% interest in four prospective copper and gold tenements in North Sulawesi from MMG Exploration Pty Ltd ('MMG') through the acquisition of shares in two MMG Singaporean subsidiaries which own the Indonesian PMA companies that hold the mineral tenements.

The additional cash consideration of \$150,000 has been paid and exploration work on the Toluludu project has already commenced.

The four projects, collectively referred to as the 'Gorontalo properties', are detailed further in the Key Projects section of this report.



Project Location Map

KEY PROJECTS

Augur is a resource development company, with a focus on the Wonogiri gold and copper project and now the Gorontalo properties in Indonesia. Augur also has interests in a number of exploration projects in central New South Wales.

Wonogiri Project (Augur 45%)

Following the sale of the 35% interest in PT Alexis Perdana Mineral, Augur now holds a 45% economic interest in the Wonogiri project which 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 million ounces gold equivalent ('AuEq') (Gold Equivalent¹ is defined below) and remains open at depth and to the east and south. Several drill targets immediately adjacent to Randu Kuning have also been identified at Wonogiri.

In July 2012, Augur announced the maiden JORC compliant resource of 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). In March 2014 the Company announced the results of a positive scoping study for the Randu Kuning deposit located within the Wonogiri project. The details of these results can be seen in the ASX announcement dated 11 March 2014.

The surface area above the Randu Kuning deposit has no forestry restrictions. Details of the resource estimate for Randu Kuning are as follows:

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.

The project has quality infrastructure supporting the project with it 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 approximately 200 metres above sea level.

To date, a total of 18,026 metres of drilling in 60 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.

During the quarter, a 3,000 metre drilling program was commenced to further define two higher grade gold-copper zones intersected in Randu Kuning by previous drilling and to complete a drilling program on exploration targets adjacent to Randu Kuning identified by a previously completed induced polarisation (IP) geophysical survey.

Initial drilling at two of the target areas have returned high grade gold and silver intercepts considered typical of epithermal type mineralisation.

Jangglengan Prospect Area

Located about 1.0 kilometre south of Randu Kuning, previous exploration work in this area by Augur identified an area of exposed clay-pyrite alteration associated with gold-silver enrichment within a hydrothermal breccia host rock. Rock chip samples collected from trenches returned up to 0.32 g/t gold over 16.0 metres, including 8.0 metres of 1.34 g/t gold and 0.11% zinc. WDD056, located about 70 metres west of an earlier hole, IWG005, drilled by PT Oxindo Exploration ('Oxindo'), was drilled towards the east to test an area of hydrothermal breccia with a coincident modelled magnetic high body.

IWG005, located about 50 metres south of the trenching carried out by Augur, was drilled towards the north, intersecting breccia and three distinct zones of gold + sulphide mineralisation associated with quartz-carbonate alteration, including 7.7 metres of 0.32 g/t gold from 42.3 metres, 23.0 metres of 0.5 g/t gold from 103.5 metres (including 1.0 metre of 3.69 g/t gold) and 5.0 metres of 0.71 g/t gold from 144.0 metres (including 2.0 metres of 1.50 g/t gold).

WDD056 returned 7.0 metres at 0.82 g/t gold and 3.5 g/t silver from 56.0 metres including 2.0 metres of 2.08 g/t gold and 10.2 g/t silver from 56.0 metres. A second zone from 70.0 metres returned 7.79 g/t gold, 9.0 g/t silver, 0.29% copper and 0.38% zinc over 3.0 metres, including 1.0 metre at 15.90 g/t gold and 20.7 g/t silver. A third zone was intersected from 120.0 metres and returned 2.64 g/t gold and 1.7 g/t silver over 7.0 metres, including 1.0 metre of 14.8 g/t gold and 4.0 g/t silver from 122.0 metres.

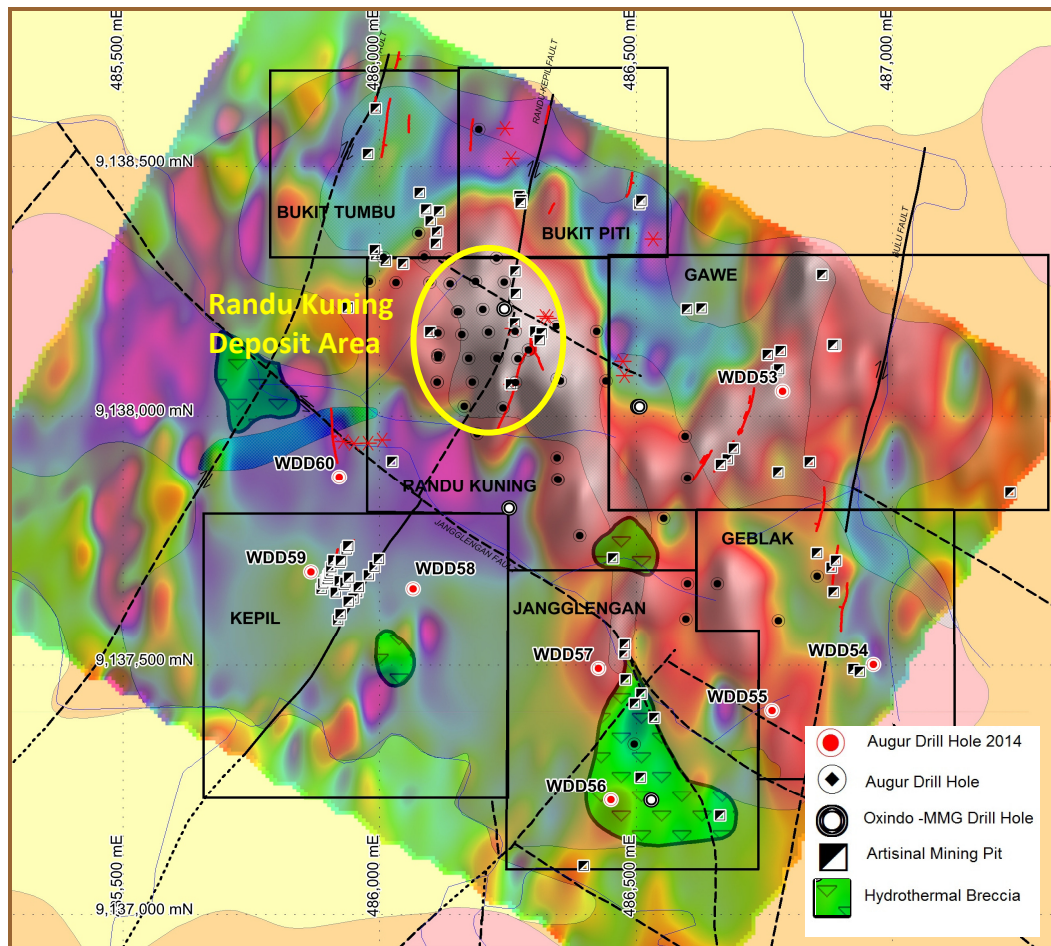
This prospect area will be further evaluated with additional drilling during the September 2014 quarter.

Kepil Prospect Area

WDD059 was also drilled at the Kepil prospect located about 500 metres southwest of Randu Kuning, to test an area of clay-pyrite alteration and local mining activity. This hole intersected a shallow 6.0 metre wide zone of 0.83 g/t gold from 36.0 metres. The zone is contained within a 16.0 metre wide zone of 0.12% Zn.

The prospectivity of this prospect area is further indicated by drill hole WDD058, which is located approximately 200 metres east of WDD059. Although the hole did not intersect significant gold mineralisation, a 360 metre wide interval of 0.28% Cu was intersected from 25.0 metres.

This prospect area will be further evaluated with additional drilling during the September 2014 quarter.



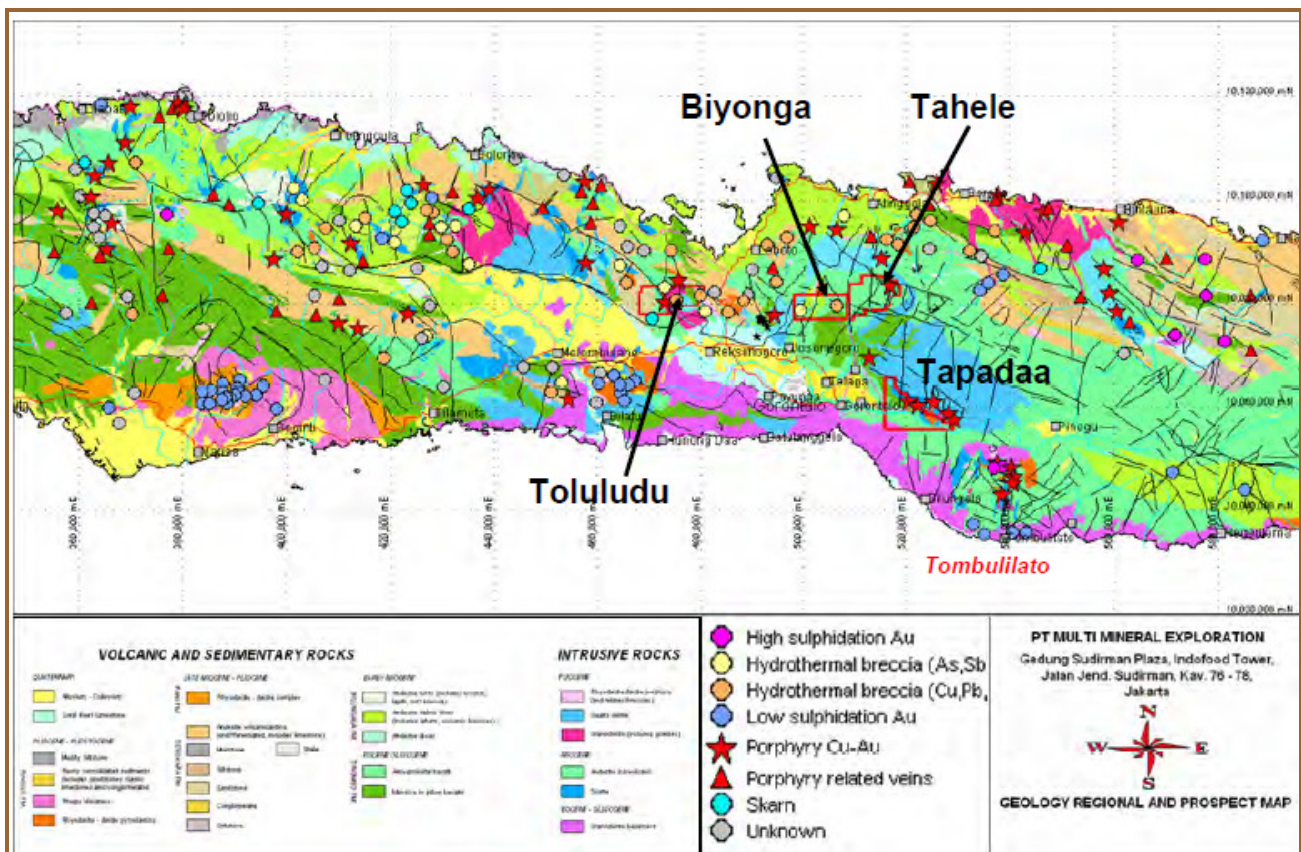
Plan map of the Wonogiri project area with the surface IP Chargeability map as the background and showing prospect areas with epithermal type veins mapped on surface (red lines) and drill holes completed as part of the regional drill program.

For additional information on the drilling program at Wonogiri please refer to the ASX announcements of 22 May 2014 and 22 July 2014.

Gorontalo Properties (Augur 80%)

The four project areas, Toluludu, Biyonga, Tapadaa and Tahele, collectively referred to as the Gorontalo properties, are located in northern Sulawesi, near the city of Gorontalo. Each of the project areas contain zones of alteration and mineralisation identified by previous workers. The types and styles of which are indicative of porphyry-related Cu-Mo-Au and epithermal Au-Ag mineral systems.

MMG staked the properties in 2009. The exploration licences (IUPs) are currently in the exploration phase which can be extended to 2018, after which the licences can be converted to exploitation stage. The properties were staked based on historical exploration results, however, due to a lengthy forest access permitting process, MMG was only able to drill the Tapadaa property. The other three tenements received only cursory surface exploration and further exploration is required to define drill targets.



Gorontalo Properties

2014 Exploration Plan

Initial work will focus on the Toluludu and Biyonga properties completing a program of detailed field mapping and surface rock sampling to further define areas of interest for ground geophysical surveys. Defined targets will be drill tested beginning in Toluludu during the December 2014 quarter. Ground work based out of a field camp has commenced within the Toluludu property.

Toluludu - (5,029 hectares)

Previous exploration in the property area was conducted by PT. Tropic Endeavour Indonesia (1971), BHP-Utah (1980) Newcrest (1993) and MMG (2011). This work identified three prospect areas identified as Molalahu, Toluludu East and Tiluti representing porphyry-type, epithermal-type and skarn-type mineralisation respectively. Previous rock chip sampling in the Molalahu area returned up to 0.6% Cu and 0.27 g/t Au and 4,980 ppm Mo.

No previous drilling has been completed. There are no forest restrictions over the Molalahu prospect area.

Biyonga - (5,023 hectares)

Previous surface exploration at Biyonga completed by BHP-Utah (1980) and Newcrest (1993) identified an extensive 3 kilometre by 5 kilometre argillic/advanced-argillic alteration zone with showings of secondary copper along the perimeter. Assays reported from surface rock sampling include 0.46 g/t Au and 0.5% Cu. No detailed exploration was completed by MMG.

Based on current data this property has potential for a near surface high-sulphidation epithermal-type gold-copper deposit and/or a buried porphyry-type copper-gold deposit. Augur will complete initial detailed surface mapping and sampling to define areas of interest for ground geophysical surveying. Defined targets will be drill tested.

For additional information on historical exploration at the Gorontalo properties please refer to the ASX announcement of 26 May 2014.

AUSTRALIAN PROJECTS

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, 120 ppm molybdenum and 2.2 g/t silver using a 0.2% copper cut-off).

Collierina (EL 6336 - 100% Augur)

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 the March 2014 quarter, the Company announced that it had 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.

An initial scoping study of the Homeville deposit found that a net present value of the project of \$50.9 million based on a 12.5% discounted cash flow and an operation producing the nickel equivalent of 5,150 tonnes per annum over a period of 10 years. Nickel Equivalent² is defined below.

Two scenarios were evaluated to determine the operational inputs that had the greatest sensitivity to the project economics. Key project parameters used for each scenario were:

Attribute	Units	Scenario 1	Scenario 2
ROM throughput	Tonnes per annum	470,000	950,000
Total resource	Million tonnes	4.7	14.3
Life of operation	Years	10	15
Nickel	%	1.18	0.95
Cobalt	%	0.045	0.045
Overburden/ore ratio	Ratio of tonnes/tonnes	0.75	0.75
Nickel Equivalent produced	Tonnes per annum	5,150	8,500

The estimations for the total capital cost for Scenario 1 were \$105.1 million and a nickel equivalent cash cost of \$6.04 per pound. Augur is currently reviewing options for the Homeville deposit.

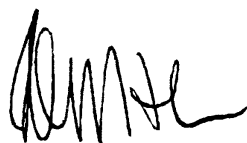
Yeoval (EL 6311 and ML 811 - 25% Augur)

Kimberly Diamonds Limited's subsidiary Goodrich Resources Limited ('Goodrich') 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 147km² within the Lachlan Belt of New South Wales.

No significant results were received during the quarter. Augur was free carried on the Yeoval project until May 2014. Augur has yet to be advised by Goodrich of its future plans in relation to the project.

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

Yours sincerely



Peter J. Nightingale
Director

Statement of Compliance

The information in this report that relates to Mineral Exploration is based on information compiled by Augur staff and contractors and approved by Mr 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 Resources 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 2012 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.

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.

Information regarding the mineral resource 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.

1 Gold Equivalent Calculation relating to the Wonogiri Resource

Where reported in relation to the Wonogiri mineral resource estimate, 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)

2 Nickel Equivalent Calculation

Where reported, Nickel Equivalent results are calculated using a nickel price of \$9/lb and a cobalt price of \$13/lb. In calculating Nickel Equivalents, nickel and cobalt recoveries are assumed to be 100%. 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 Homeville project was to undergo processing.

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