AUGUR
Resources Ltd
ABN 79 106 879 690

25 July 2016

The Manager Companies
ASX Limited
20 Bridge Street
Sydney NSW 2000 (8 pages by email)

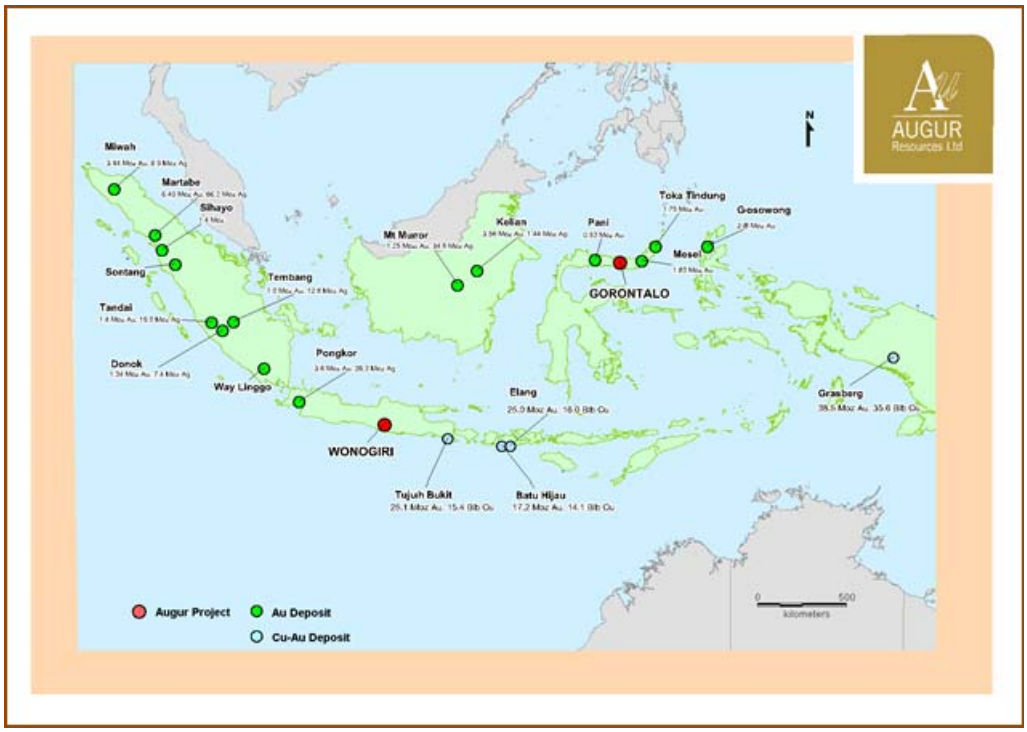
REPORT ON ACTIVITIES FOR THE QUARTER ENDED 30 JUNE 2016
(ASX: AUK)

HIGHLIGHTS

- Initiation of an updated Randu Kuning resource estimate to comply with JORC 2012 guidelines. This work is being completed by Computer Aided Geoscience of Brisbane, Australia which also completed the initial JORC resource statement.
- Issuance of an exploration IUP for aggregate by the Central Java Provincial Government.
- Commencement of additional metallurgical testwork to evaluate the potential to increase the contained copper grade in a sulphide concentrate through pyrite suppression. This work will also conduct locked-cycle flotation tests to better determine actual processing parameters.
- Commencement of internal scoping study to evaluate production of gold-copper concentrate via gravity + flotation process flowsheet.
- Assessment of a second-hand processing plant for suitability for the Wonogiri project undertaken.

PROJECTS

Augur Resources Ltd ('Augur' or the 'Company') is a resource development company, with a focus in Indonesia on the advanced Wonogiri Gold and Copper project in Central Java and exploration properties in Gorontalo, North Sulawesi. Augur also has interests in exploration projects in central New South Wales, including Collerina which contains the Homeville nickel-cobalt deposit.



Location map of the Company's Indonesian projects.

INDONESIAN PROJECTS

Wonogiri Project (Augur - 45%)

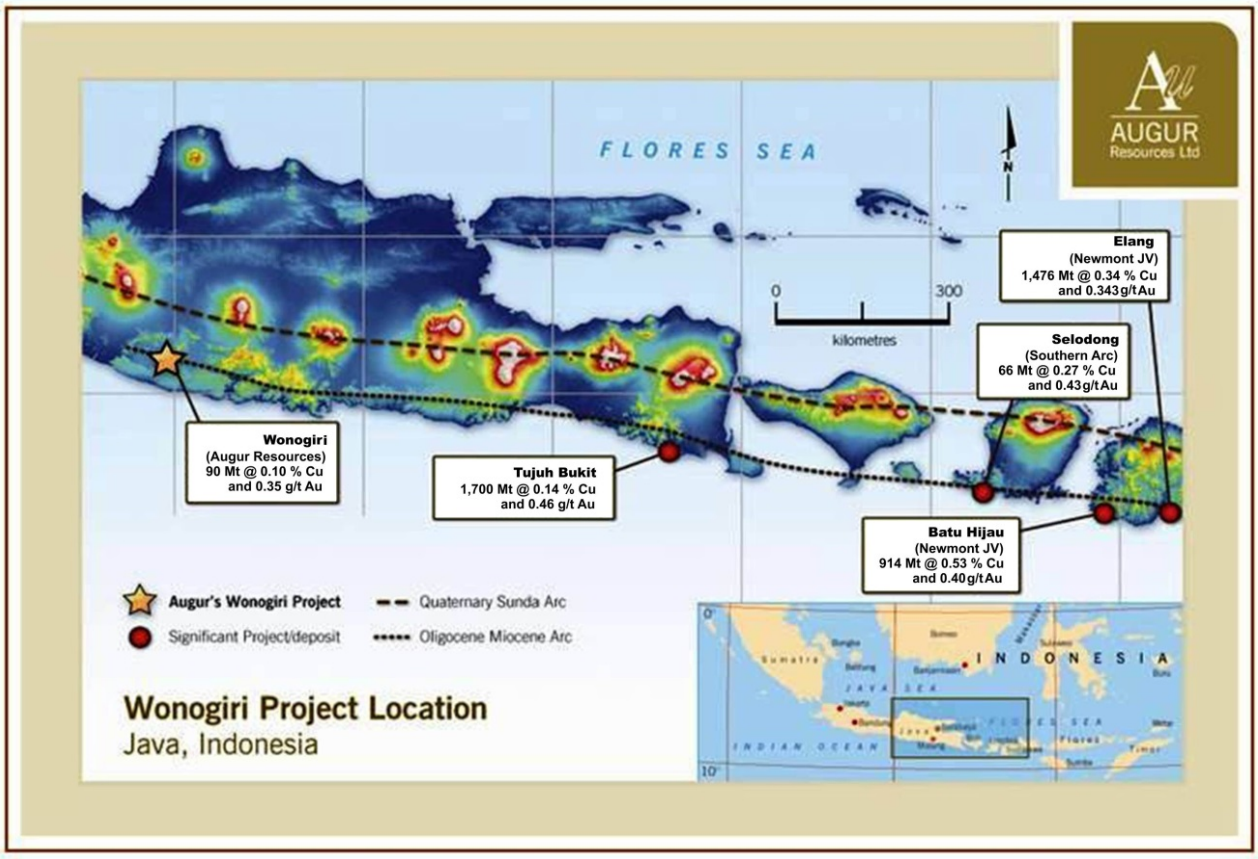
At the Wonogiri project, which is located in central Java, Augur has discovered the Randu Kuning Gold-Copper porphyry deposit and defined a resource of 1.54 million ounces gold equivalent ('AuEq')[1]. The deposit remains open at depth and to the east and south.

The JORC compliant resouce 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.

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.



Wonogiri project location and major porphyry deposits on the Oligocene-Miocene Arc.

Wonogiri Metallurgical Studies

Additional testwork was started in June 2016 with the objective of evaluating the potential to increase the copper grade within a copper and gold concentrate by pyrite suppression during flotation processing. Optimising recovery of gold (and silver) through initial gravity concentration and intensive leaching will also be investigated.

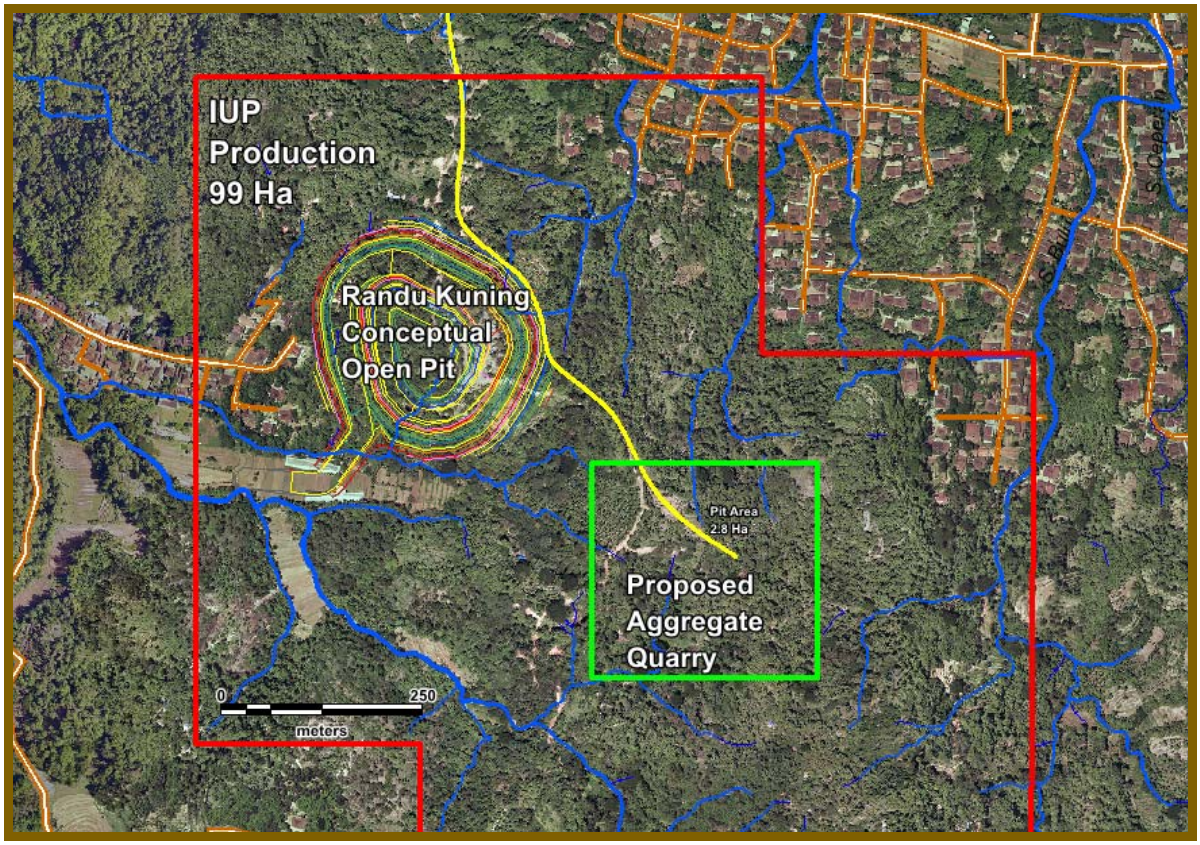
Under the current Indonesian Mining Law, the export of less than 99.99% copper is not permitted unless direct approval from the Indonesian Government is obtained and export tariffs paid. As such the Company is in discussions with several groups in regards to offtake of Wonogiri concentrate.

Aggregate Evaluation

The Central Java Provincial Government recently issued an exploration IUP for aggregate to the Joint Venture company. The area of the IUP covers both the Randu Kuning gold-copper deposit area and an area identified for a stand-alone quarry development adjacent to the deposit. The next step is to obtain an IUP production licence to allow for quarry development. This requires completion of a base-line environmental study and a feasibility study, both of which will commence forthwith.

Based on a previously completed regional market survey and initial economic analysis of Randu Kuning waste rock aggregate indicates possible EBITDA margins per tonne of Rp40,000 – Rp50,000 (US$3 – US$4) per tonne from an extremely low capital expenditure startup operation (circa US$1.5M), a scoping study is currently in progress (see ASX release dated 23 November 2015).

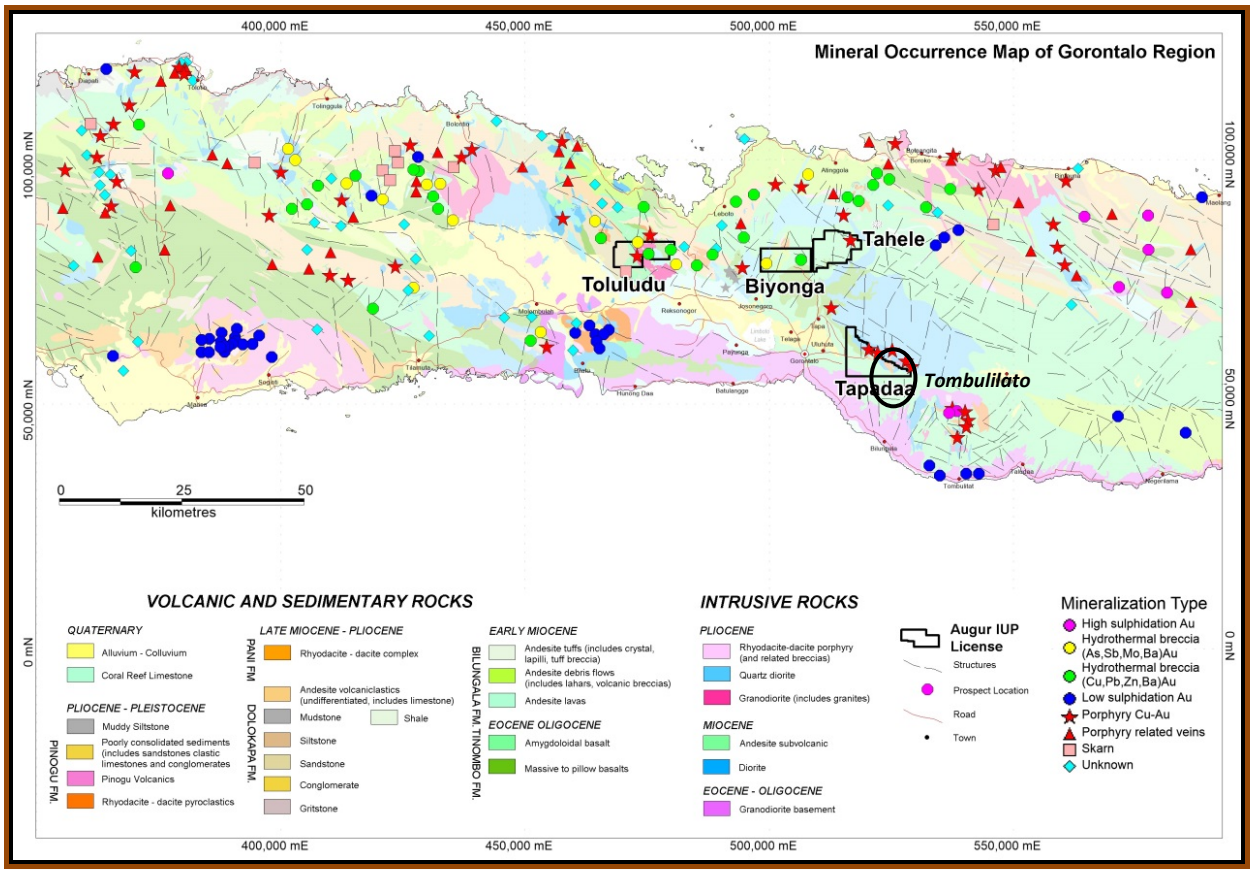
The aim is to generate early cash flow from a low capex and opex aggregate operation which can be used to fund the development of the Randu Kuning deposit. An initial stand-alone quarry development will also allow for development of aggregate market contacts prior to a significant increase in aggregate production from the Randu Kuning waste rock.



Map showing location of proposed aggregate quarry area adjacent to the Randu Kuning gold-copper conceptual open pit.

The Company is currently evaluating proposals from interested parties who may provide quarry development, production management and offtake marketing services.

Gorontalo Properties (Augur - 80%)



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

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

No exploration activities were undertaken at these projects during the quarter. Based on exploration results to date, the Company has decided to relinquish the Tahele and Biyonga IUPs.

AUSTRALIAN PROJECTS

The central and western region of NSW hosts a number of world class deposits including the Cadia, Ridgeway and Northparkes deposits.

Homeville (Augur - 100% subject to farm-out agreement)

At the Collerina project, located 40 kilometres south of Nyngan, Augur has defined a JORC compliant resource estimate for the Homeville nickel-cobalt deposit of 16.3 Mt at 0.93% nickel and 0.05% cobalt comprised of 4.4 Mt of Indicated Resource at 0.99% nickel and 0.06% cobalt and 11.9 Mt of Inferred Resource at 0.91% nickel and 0.05% cobalt of (using a 0.7% nickel cut-off)[3].

Initial counter-current atmospheric leach testwork at the Homeville deposit returned excellent overall recoveries of 90% nickel and 96% cobalt with a low overall acid consumption of 710 kg/tonne ore.

Augur is currently undertaking a scoping study for a 5,000 tonnes per annum nickel plant producing a mixed nickel-cobalt precipitate ('MSP') at 59% nickel content.

During the March quarter Augur submitted an application to the NSW Department of Industry as part of their New Frontiers initiative which provides for funding of new mineral exploration programs. The Company has proposed a 40 hole, 2,800 metre drill program within the Collerina project area for consideration under the initiative to further identify and expand the known nickel mineralisation at the Homeville nickel and cobalt deposit. The Company has been notified that notifications will now be made in late July. At the date of this report, notification has not yet been received.

Yeoval (25% Augur)

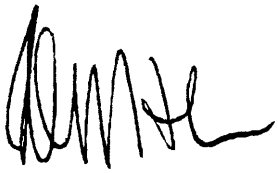
No exploration activities were undertaken on this project during the quarter and the Company has been notified that the licence will be relinquished by the majority joint venture partner.

CORPORATE ACTIVITIES

During the quarter the Company announced that it had received an R&D Tax Incentive refund of $551,629 for the 2015 financial year. The R&D Tax Incentive is an Australian Government program under which companies receive cash refunds for 45% of eligible expenditure on research and development. The incentive refund results from expenditure on advancing Augur's Homeville and Wonogiri projects.

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

Yours sincerely



Peter J. Nightingale
Director

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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.

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 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, 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] Resource Category Proportions

The relevant resource proportions underpinning the production target detailed in the scoping study were approximately 96% Measured Resource, 2% Indicated Resource and 2% Inferred Resource. All material assumptions underpinning the production target, and the forecast financial information derived from the production target, continue to apply and have not materially changed.

[3] 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.