

Augur Resources Ltd

Quarterly Activity Report ending 31 December 2009
(ASX: AUK)

20 January 2010

CORPORATE HIGHLIGHTS

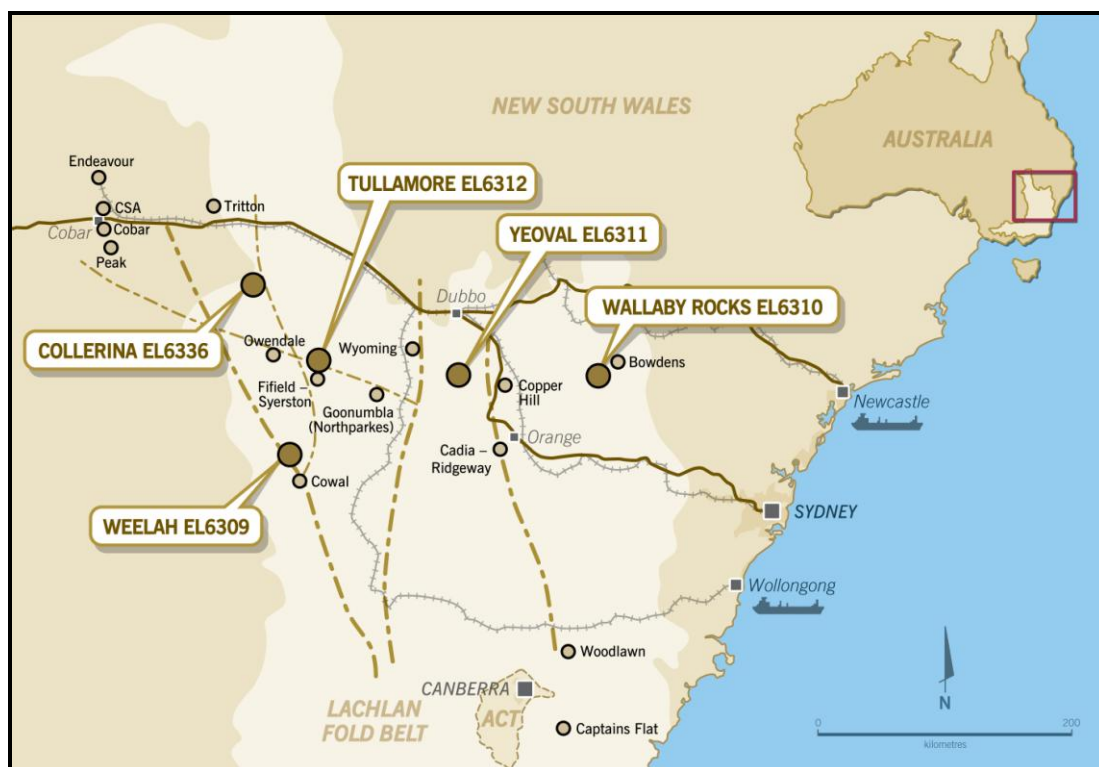
- Shareholders approved the acquisition of 60 million shares in Augur Resources Ltd ('Augur') by Permgold Pty Ltd from Ichiya Co., Ltd.
- Messrs Norman Seckold and Peter Nightingale were appointed as Directors of Augur on 30 November 2009.
- Messrs Shinji Yamamoto and Fye Hong resigned as Directors on 30 November 2009.

OPERATIONAL HIGHLIGHTS

- The initial drill program at the Lightning gold project was completed with the best result of 4 metres at 2.98 g/t gold from 40 metres in hole LGP005.
- Drilling at Goodrich returned 12 metres at 0.54% copper and 0.33 g/t gold from 112 metres and a further 12 metres at 0.31% copper and 0.24 g/t gold from 144 metres in hole GM002.
- Drilling of a single hole at the Crown prospect within the Yeoval tenement returned 4 metres at 0.42% copper, 0.51 g/t gold, 4.2 g/t silver and 102ppm molybdenum from 16 metres.
- Rock chip sampling at Wallaby Rocks identified a number of anomalous gold results including 89.1 g/t gold, 17.65 g/t gold and 14.35 g/t gold in quartz veins associated with historical workings.

KEY PROJECTS

Augur is a resource development company, with a current focus on copper, gold and nickel projects within the Lachlan Fold Belt of central and western NSW. The region hosts a number of world class deposits including the Cadia deposits and Northparkes deposits. Augur has established JORC define resources at its key projects of Yeoval (copper, gold, molybdenum and silver) and Collerina (Homeville deposit - nickel and cobalt).



Project location map

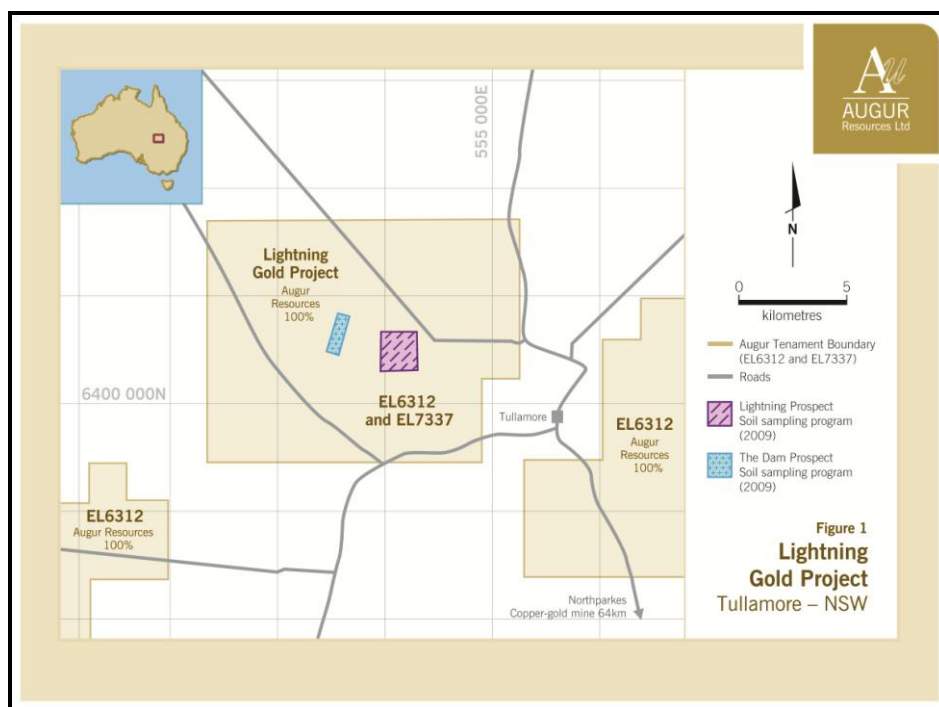
Tullamore (ELs 6312 and 7337)

The Tullamore tenements are located 20 kilometres north of the largest historical platinum producing region in Australia, at Fifield. The tenements include two areas of known gold mineralisation within volcanics/metasediments. These are the Tullamore goldfield and the Burra gold-tin-platinum field, both associated with buried, near-surface intrusions. The Tullamore tenements contain the Lightning Gold Project.

Lightning Gold Project

During the quarter, Augur completed an initial eight hole reverse circulation (RC) drill program at its Lightning Gold Project area within the Tullamore tenement. The drilling was a first-pass follow up of a large soil gold anomaly along strike of the abandoned Lightning gold mine (see ASX release dated 7 July 2009).

A total of five holes targeted the soil anomaly around the Lightning gold mine. Two holes targeted a smaller soil gold and arsenic anomaly at Hail prospect and one hole targeted an area of anomalous gold in both rock float and in soils at Ryan's prospect. Samples were analysed as 4 metre composite samples.

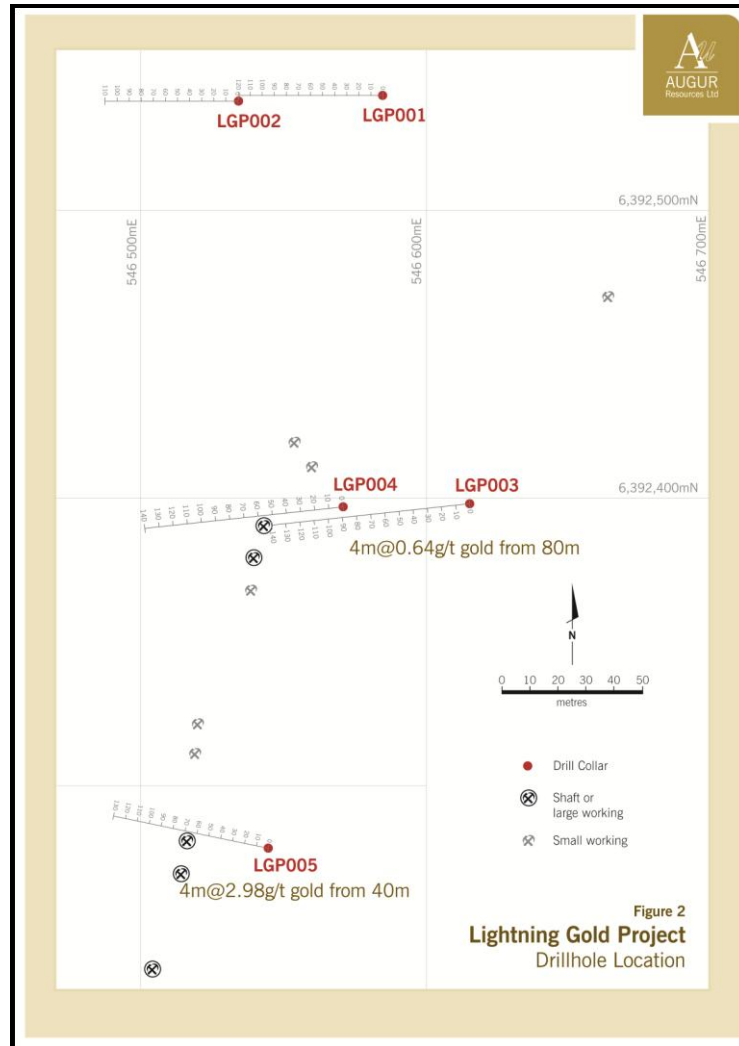


Location of the Lightning Gold Project, Tullamore tenement

The best result from the Lightning mine area was 4 metres at 2.98 g/t gold from 40 metres in hole LGP005. LGP005 was the southern most drilled hole at the Lightning prospect and targeted both a soil gold anomaly and the down dip extension of a previously mined area.

In hole LGP003, 4 metres at 0.64 g/t from 80 metres was intersected. Hole LGP003 is situated approximately 140 metres northeast of hole LGP005.

At Ryan's prospect, drilling intersected an anomalous 4 metre zone of 0.19 g/t gold from surface and a further 8 metre zone of 0.22 g/t gold from 28 metres depth.

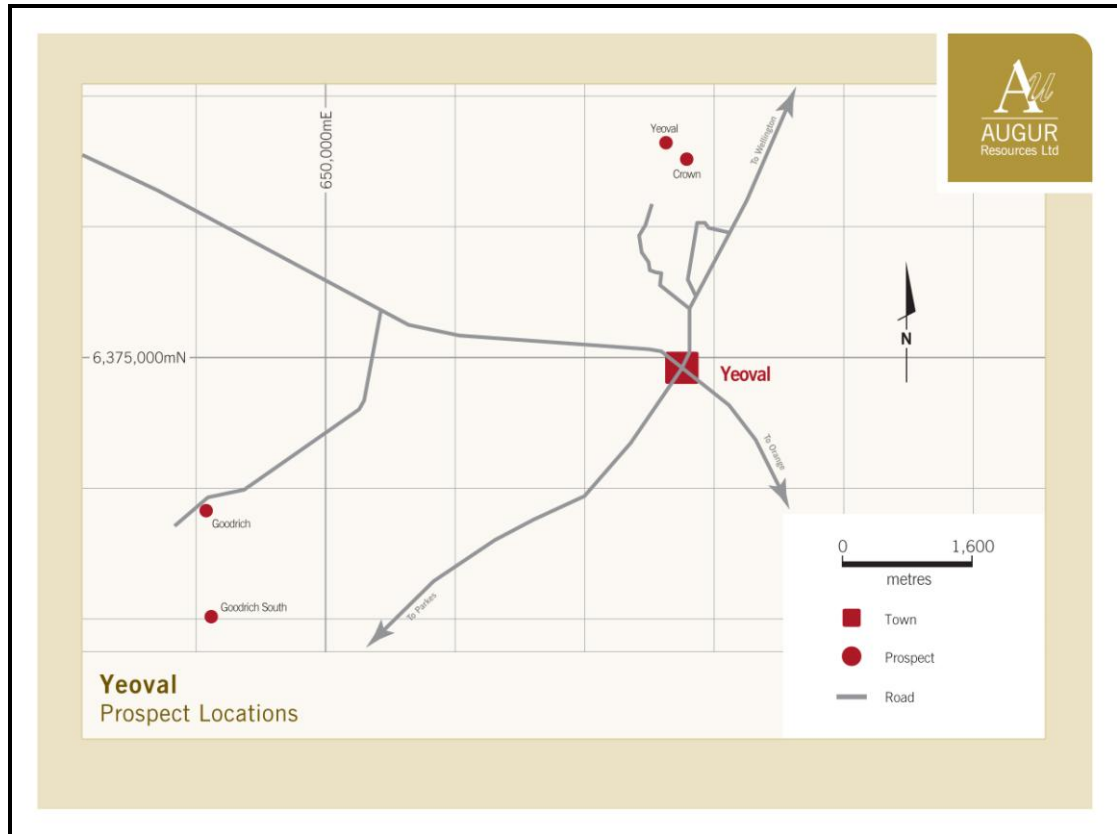


Drill Hole Location – Lightning Gold Project, Tullamore tenement

Yeoval (EL 6311)

The Yeoval tenement covers an area of 147km² and has potential for a Cadia-Ridgeway or Northparkes style of porphyry copper-gold ± molybdenum mineralisation, epithermal gold ± silver mineralisation and magnetite rich copper-gold mineralisation. The primary areas of focus are the Yeoval Mine prospect, Goodrich prospect and ten further targets which are being systematically explored.

In early 2009, Augur announced the maiden JORC Inferred Resource estimate for the Yeoval porphyry deposit of 12.9 million tonnes ('Mt') at 0.38% copper, 0.14 g/t gold, 2.2 g/t silver and 120ppm molybdenum using a cut off of 0.2% copper. Using a cut off of 0.4% copper, the Inferred Resource estimate is 4.5Mt at 0.56% copper, 0.19 g/t gold, 3.26 g/t silver and 162ppm molybdenum. The deposit remains open in a number of directions (including depth). In addition, further significant drill intersections south-east of the deposit have been made.

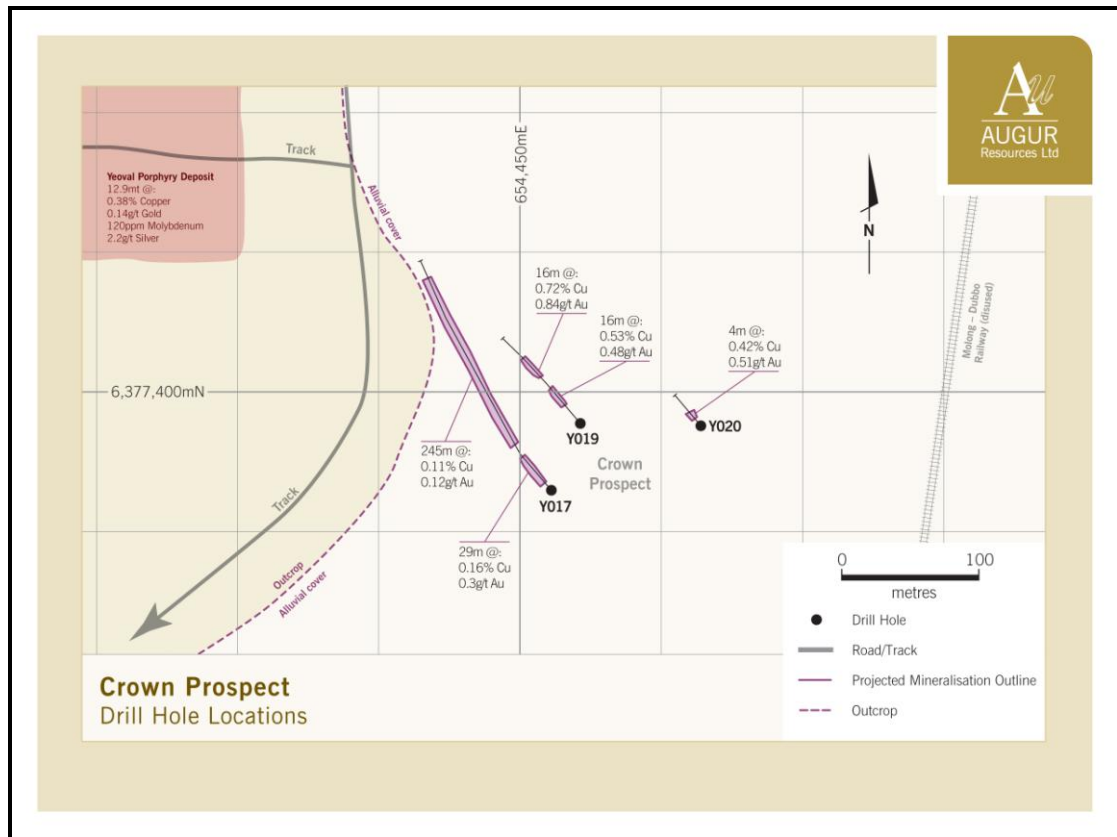


Prospect Location – Yeoval tenement

Crown Prospect

A single RC hole was drilled in an area approximately 95 metres east of the Crown porphyry zone at Yeoval. The aim of the hole was to test for extensions of mineralisation from the known Crown porphyry zone. The area is covered by a thin layer of alluvial sediments. The hole returned 4 metres at 0.42% copper, 0.51 g/t gold, 4.2 g/t silver and 102ppm molybdenum from 16 metres depth.

The results are encouraging as they indicate that mineralisation extends east of the previously identified Crown mineralisation zone. Additional drilling at the Crown prospect will be planned in the near future.



Drill Hole Location – Crown Prospect, Yeoval tenement

Goodrich South Prospect

The Goodrich South prospect is located approximately 900 metres to the south of the Goodrich mining lease (ML 811) and approximately 800 metres northwest of the Mt Rose copper-gold workings. A significant soil copper geochemical anomaly with an associated magnetic “destructive zone” occurs at the prospect. Field checking in this area has also identified copper oxide staining at surface.

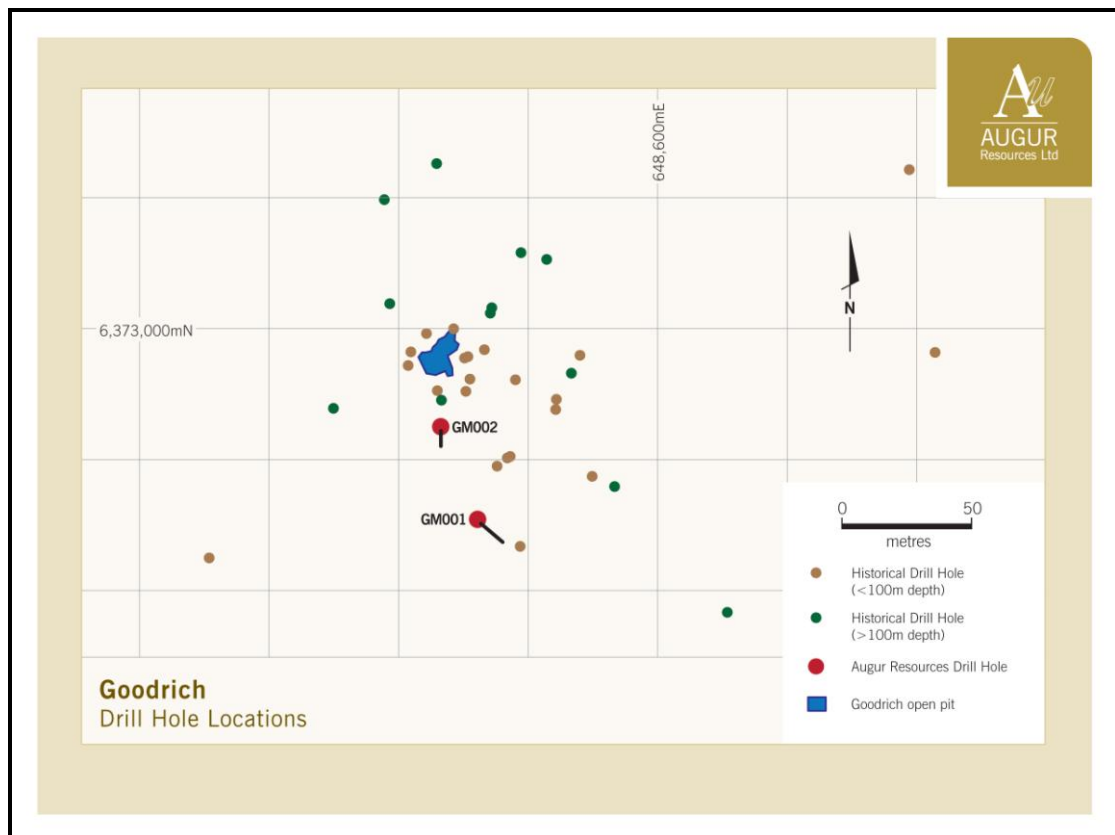
During the quarter, three RC holes were drilled targeting geochemical anomalies. Each hole intersected zones of intense alteration. Hole GS002 was anomalous in silver for almost the entire hole including 4 metres at 2.5 g/t silver. GS002 also intersected 20 metres at 0.1% copper. Holes GS001 and GS003 also intersected zones of anomalous copper and silver.

Goodrich (ML 811)

The Goodrich ML 811 is located approximately 5 kilometres south west of the town of Yeoval. The Goodrich mine was historically a small high grade gold and copper mine. Drilling by previous explorers identified disseminated copper-gold adjacent to the mine and further zones of high grade gold and copper.

During the quarter, two holes were drilled at the Goodrich prospect to test for an extension of mineralisation to the south of the Goodrich pit. Hole GM002 intersected a number of mineralised zones including 12 metres at 0.54% copper, 0.33 g/t gold and 1.27 g/t silver from 112 metres and a further 12 metres at 0.31% copper and 0.24 g/t gold from 144 metres. The results from GM002 confirm the continuation of mineralisation south of the historical mine workings.

Hole GM001 at Goodrich ended at 154 metres in a geochemically anomalous zone which included 2 metres at 0.17 g/t gold, 856ppm copper and 0.6 g/t silver as well as anomalous molybdenum.



Drill Hole Location – Goodrich Mine

Collerina (EL 6336)

The Collerina tenement is located 40 kilometres south of Nyngan in central NSW, covering an area of 300km² within the Fifield Platinum Province. The tenement contains the Homeville nickel-cobalt deposit (JORC Inferred Resource of 12.2Mt at 0.91% nickel and 0.06% cobalt), which was discovered by Augur in 2008. Nickel grading over 1% has been drilled 660 metres along strike from the JORC estimated resource.

During the quarter, Augur commenced planning for further drilling at Homeville with an aim of expanding the current nickel-cobalt resource.

Weelah (EL 6309)

The Weelah tenement (150km²) covers an area of Cowal Volcanics and a splay of the "Gilmore Suture" which is a focus for gold projects in the Lachlan Fold Belt. The Cowal Gold Mine, annually producing 240,000 ounces of gold lies approximately 15 kilometres south of the tenement.

The targets at Weelah are intrusive related gold and copper gold, carbonate vein gold and Peak/Cobar type deposits within sedimentary sequences.

Two holes were drilled within the Weelah prospect during the quarter. The holes were targeting magnetic highs in the north-west of the tenement where sampled rock float had returned highly anomalous nickel and cobalt. Drilling indicates that the source of the magnetic highs tested can be attributed to magnetite enriched zones within volcanic clastic rocks and maghemite layers within the cover rocks.

Wallaby Rocks (EL 6310)

Augur is targeting large low grade disseminated gold mineralisation. Geologically mapping and rock chip sampling of the Mt Margaret prospect was undertaken during the quarter. Several rock chips sampled from quartz veins associated with historical workings returned highly anomalous gold with the best three results of 89.1 g/t gold, 17.7 g/t gold and 14.4 g/t gold.

CORPORATE DEVELOPMENTS

During the quarter, Permgold Pty Ltd made an offer to purchase 60,000,000 Augur shares held by Ichiya Co., Ltd. At the Annual General Meeting held on 30 November 2009, shareholders approved this transaction.

As a consequence of this transaction, Messrs Norman Seckold and Peter Nightingale were appointed Directors of Augur Resources Ltd and Messrs Shinji Yamamoto and Fye Hong resigned as Directors. Mr Grant Kensington remains as the Company's Managing Director.

The newly constituted Board of Directors is now currently finalising a strategy to take the Company forward.

For further information, please contact Grant Kensington on +61 2 93003310.

Yours sincerely



Grant Kensington
Managing Director

The information in this ASX announcement referring to Augur Resources Limited's 31 December 2009 Quarterly Report is based on information compiled by Augur staff and approved by Robert Pyper, who is a Fellow of the AusIMM.

Mr Pyper is the principal of Minnelex Pty Ltd, which is a geological consultancy. Mr Pyper has had over 40 years experience as a geologist and has had sufficient experience relevant to the styles of mineralisation and the types of deposits 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. Mr Pyper consents to the inclusion in the report of matters based on his information in the form and context in which it appears.

SUMMARY RESULTS

Tullamore Tenements

Hole	Prospect	Easting	Northing	From (m)	Interval (m)	Au (g/t)	Cut-off Au (g/t)
LGP001	Lightning	546585	6392540			No significant results	
LGP002	Lightning	546534	6392538			No significant results	
LGP003	Lightning	546615	6392398	80	4	0.64	0.1
LGP004	Lightning	546571	6392397	28	4	0.11	0.1
LGP005	Lightning	546544	6392278	40	4	2.98	0.1
HA001	Hail	547103	6391859	32	4	0.1	0.1
HA002	Hail	547085	6391854	28	4	0.16	0.1
RY001	Ryan's	547508	6392800	0	4	0.19	0.1
RY001	Ryan's	547508	6392800	28	8	0.22	0.1

Samples were collected as composite 4 metre samples. The target at each prospect is vein hosted gold mineralisation.

Yeoval/Goodrich Tenements

Hole	Prospect	Easting	Northing	From (m)	Interval (m)	Cu (%)	Au (g/t)	Mo (ppm)	Ag (g/t)	Cut-off Cu (%)
YA020	Crown	654570	6377380	16	4	0.42	0.51	102	4.2	0.1
GM001	Goodrich Mine	648461	6372856	152	2*	0.08	0.17	47	0.6	0.05
GM002 and and	Goodrich Mine	648433	6372926	112 144 164	12 12 8	0.54 0.31 0.17	0.33 0.24 0.17	68 - 212	1.3 0.9 0.5	0.1 0.1 0.1
GS001	Goodrich South	648234	6371936	28	20	0.07			1.9	1.0**
GS002	Goodrich South	648181	6372072	24	4	0.23			1.2	0.1
GS003	Goodrich South	648123	6372176	12	4	0.11				0.1

Samples were collected as composite 4 metre samples. The target at each prospect is porphyry hosted copper-gold mineralisation.

* End of hole sample.

** g/t Ag.

No significant results were identified at Weelah.