

**REPORT ON ACTIVITIES FOR THE QUARTER ENDED
31 DECEMBER 2010
(ASX: AUK)**

31 January 2011

OPERATIONAL HIGHLIGHTS

- During the quarter 11 diamond drill holes were completed for a total of 1,928 metres at the Central Jampang gold project in Indonesia.
- Recently received drill results from the Central Jampang gold project continue to return significant intersections including **43 metres at 1.62 g/t gold, 0.84% copper and 6.4 g/t silver** from 27 metres in hole JADD40, **14.1 metres at 1.46 g/t gold, 0.88% copper and 12.3 g/t silver** from 71.6 metres and a further **10.8 metres at 0.88 g/t gold, 1.10% copper and 9.8 g/t silver** from 90.4 metres in hole JADD31.
- Initial metallurgical sampling of representative mineralisation from the Jampang project commenced.
- Metallurgical results from the Homeville project have been encouraging with extraction of up to 78% of the nickel and 80% cobalt from saprolite material.
- Augur entered into a Memorandum of Understanding (MOU) agreement with PT Oxindo Exploration ('Oxindo') and PT Alexis Perdana Mineral ('APM') whereby Augur can earn a majority interest of up to 80% in the Wonogiri project in central Java.
- Binding Heads of Agreement reached with Meridien Resources Limited ('Meridien') for the Weelah project in central NSW whereby Meridien can earn an 80% interest in the project.

CORPORATE HIGHLIGHTS

- Mr Justin Werner appointed as a Director of Augur Resources Ltd.

KEY PROJECTS

Augur is a resource development company, with a focus on gold, copper and nickel projects within Indonesia and the Lachlan Fold Belt of central and western NSW.

Central Jampang Gold Project

During the quarter Augur continued its successful diamond drill program at the central Jampang project. The focus of the drilling during the period continued to be the main Lipi prospect.

An additional 11 diamond holes were drilled during the period and results received for 10 holes, with only two holes not returning significant results.

A selection of results is provided in the following table with more detailed results for the period included later in this report. Some of the more significant results from the drilling during the period were:

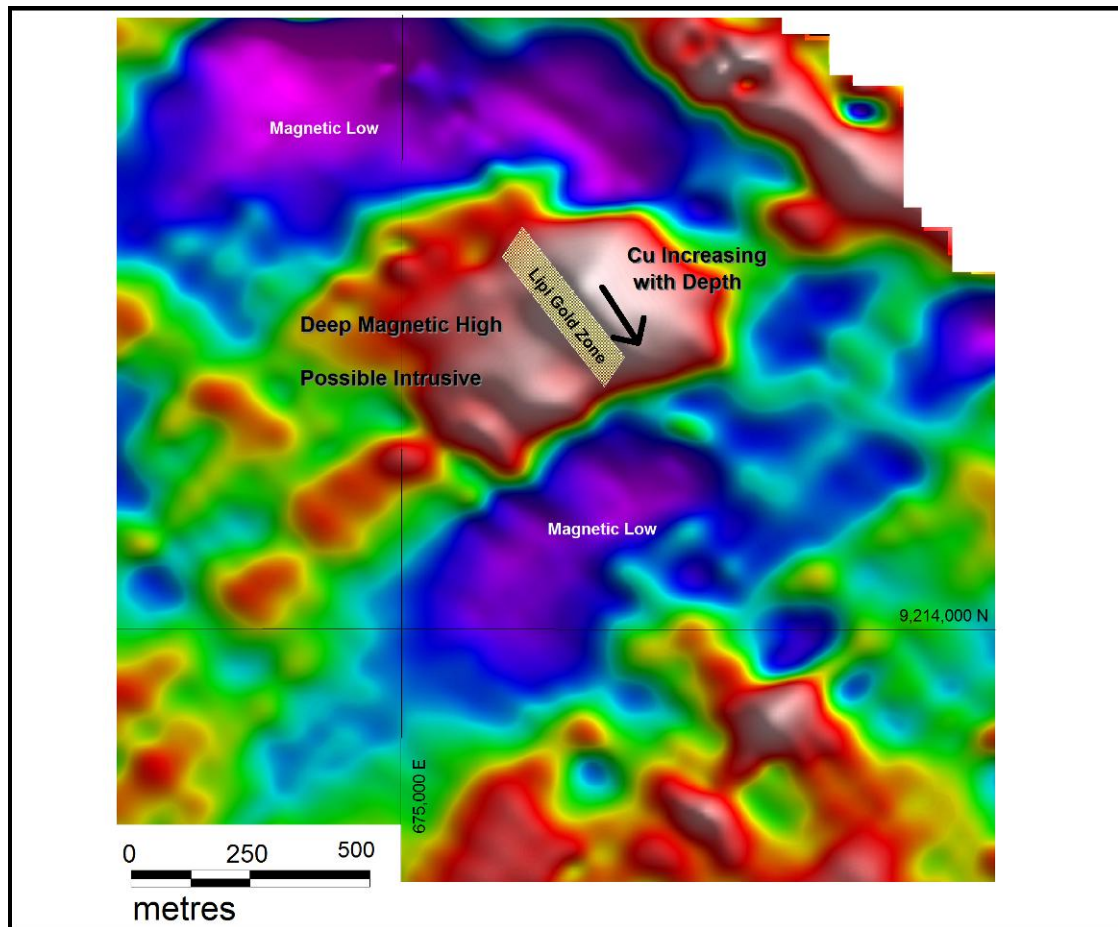
Hole	From (m)	Interval (m)	Gold (g/t)	Copper (%)	Silver (g/t)
JADD31	71.6	14.1	1.46	0.88	12.3
and	90.4	10.8	0.88	1.10	9.8
JADD32	79.1	5.0	1.54		3.0
and	87.1	6.9	2.22		16.9
JADD35	4.0	20.5	1.37		5.0
JADD39	159.0	5.0	0.42	2.42	20.8
and	178.0	4.0	0.72	0.57	7.5
JADD40	27.0	43.0	1.62	0.84	6.4

Selected drill results from the Jampang project December 2010 quarter.

Interpretation of the data received from the current drill program indicates that the mineralisation at Lipi is epithermal supergene enriched gold \pm copper.

The significant results received during the quarter continue to provide encouragement at Lipi and within the Central Jampang project as a whole. Key features of the Lipi mineralisation are the shallow nature of the mineralisation, multiple zones of gold mineralisation, occurrence of very significant copper mineralisation in the south of the prospect and the steep dipping nature of the mineralisation.

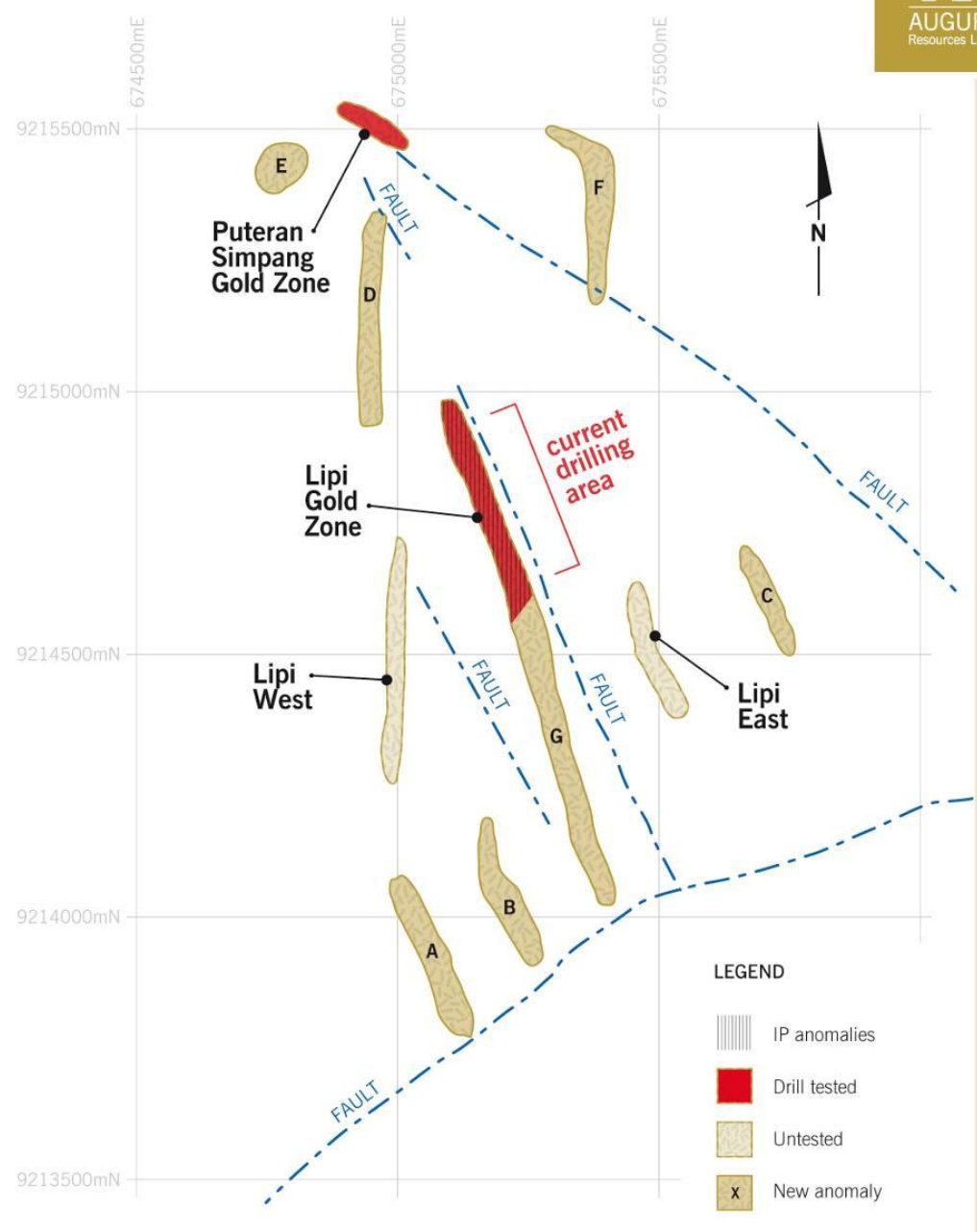
Interpretation of the recently acquired ground magnetics and induced polarisation (IP) data supports the potential for extension of the Lipi mineralisation to the north and south of the currently known mineralisation.



High definition magnetics covering the Lipi and North Lipi prospects (plan view). The source of the magnetic high is modelled at approximately 400 metres depth. The magnetic lows appear to be associated with extensive alteration.

Copper mineralisation at Lipi had historically been identified, however systematic sampling for copper is understood not to have occurred. Drilling by Augur suggests that significant copper mineralisation may occur in the southern portion of the Lipi deposit. Further significant copper mineralisation was intersected during the quarter including 5 metres at 2.42% copper from 159 metres in hole JADD39 and 1 metre at 6.66% copper from 176.5 metres in hole JADD34.

An RC drilling program is planned for Lipi, Lipi East, Lipi West, Lipi North and Puteran Simpang and additional IP targets. This program is expected to commence in early 2011.



Central Jampang Gold Project
Induced Polarisation Anomalies

Geophysical Targets within the Jampang project area.

Hole	East	North	Dip	Azimuth	From (m)	Interval (m)	Au (g/t)	Ag (g/t)	Cu (%)
JADD31	675,374 and	9,214,635	60	255	71.6 90.4	14.1 10.8	1.46 0.88	12.3 9.8	0.88 1.10
JADD32	675,394 and	9,214,578	60	255	79.1 87.1	5.0 6.9	1.54 2.22	3.0 16.9	
JADD33	675,365 and	9,214,600	60	270	39.3 60.1	6.3 8.1	0.81 0.71	2.4 4.2	0.19 0.42
JADD34	675,409 and and	9,214,662	60	255	176.5 181.5 188.8	1.0 3.3 12.8	0.45 0.49 0.67	22.6 3.5 5.8	6.66 0.95 0.77
JADD35	675,266	9,214,918	60	270	4.0	20.5	1.37	5.0	
JADD36	675,263	9,215,033	60	255		No significant results			
JADD37	675,253	9,214,991	60	270		No significant results			
JADD38	675,261 and	9,214,955	60	270	7.6 44.8	9.6 4.5	0.80 1.77	4.6 45.5	0.52 0.24
JADD39	675,413 and	9,214,642	60	255	159 178	5.0 4.0	0.42 0.72	20.8 7.5	2.42 0.57
JADD40	675,350	9,214,609	60	255	27	43	1.62	6.4	0.84

Assay data from the Jampang drill program – December 2010 quarter. Assaying has been completed by PT Intertek Utama Services, a subsidiary of Intertek Group Inc. Independent standards and/or blanks are used in each sample batch at approximately 20m intervals. Mineralisation cut-off is 0.5g/t gold and/or 0.3% copper with a maximum contiguous dilution interval of 2 metres.

Wonogiri

Augur's wholly owned subsidiary, Augur Investments Pty Ltd ('Augur'), entered into a Memorandum of Understanding (MOU) agreement with PT Oxindo Exploration ('Oxindo') and PT Alexis Perdana Mineral ('APM') during the quarter whereby Augur can earn a majority interest of up to 80% in the Wonogiri project in central Java, Indonesia.

The Wonogiri project consists of two Izin Usaha Pertambangans (IUPs) or Mining Business Licences covering a total area of approximately 3,928 hectares. The IUPs cover areas considered prospective for epithermal gold and porphyry copper-gold mineralisation.

An extensive database of information was collected and collated by Oxindo including geological, geochemical, drilling and ground magnetic data. This data is being utilised to direct the current field program. Oxindo targeted Wonogiri for large porphyry copper deposits.

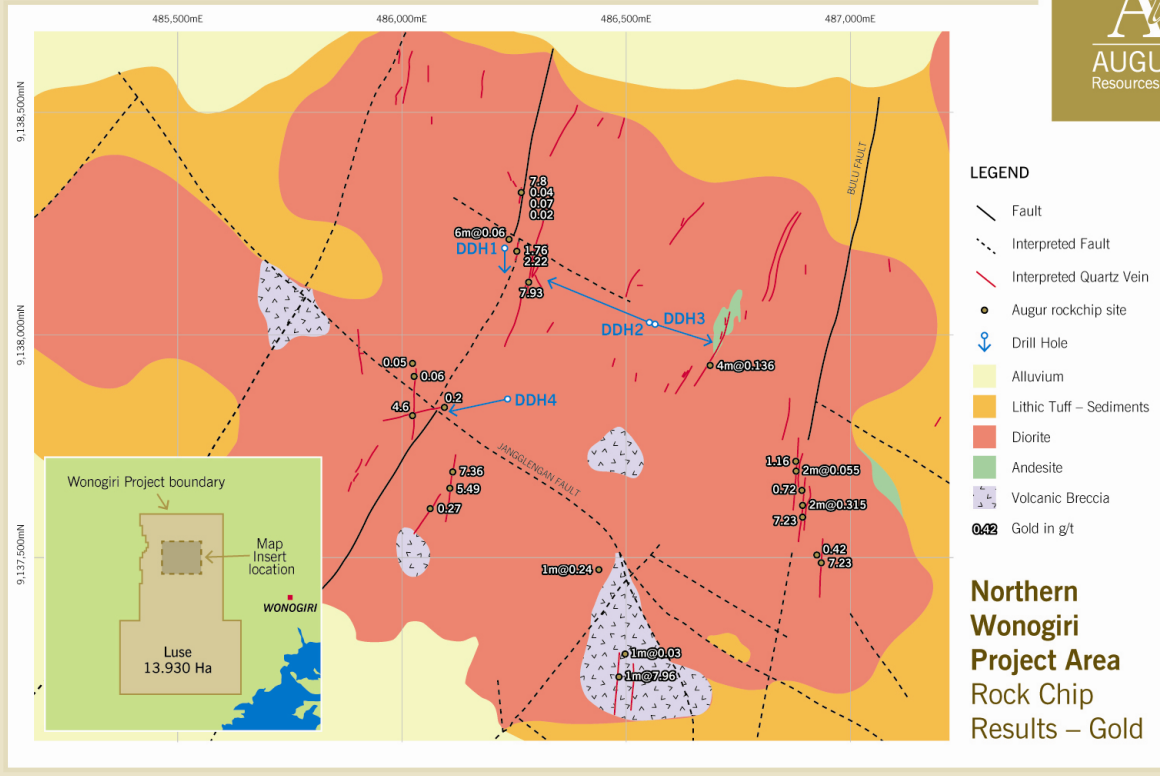
Gold mineralisation has been identified both near surface (<5 metres) and at depth (> 400 metres) within the north of the project area.

Initial geological mapping indicates significant areas of extensively altered volcanics with multiple quartz veining. The gold at surface appears to be directly related to quartz veining. Multiple extensive veining occurs at surface. To date quartz veining with a cumulative strike length of 2.3 kilometres has been identified.

Historically, a total of five diamond holes have been drilled within the IUPs. Two of the diamond holes intercepting significant gold intervals including hole DHH1 which intersected 49 metres at 1.05 g/t gold and 0.28% copper from 83 metres depth, a further 15 metres at 1.61 g/t gold and 0.20% copper from 137 metres and yet a further 6 metres at 1.51 g/t gold and 0.17% copper from 155 metres. Hole DHH2 returned 37 metres at 1.77 g/t gold and 0.24% copper from 458 metres.

Rock chip sampling by Augur has confirmed the presence of gold and copper with a total of 18 samples from 52 rock chip samples returning greater than 1.0 g/t gold with six samples returning greater than 7.0 g/t gold. Maximum copper results from the rock chip sampling returned 2.89% copper.

Mapping and trenching has been planned and will be undertaken during early 2011. Preliminary drill targets have also been identified and, subject to drill rig availability, Augur expects to commence drilling in the first quarter of 2011.



Rock Chip sample sites and drill hole location – Wonogiri Project



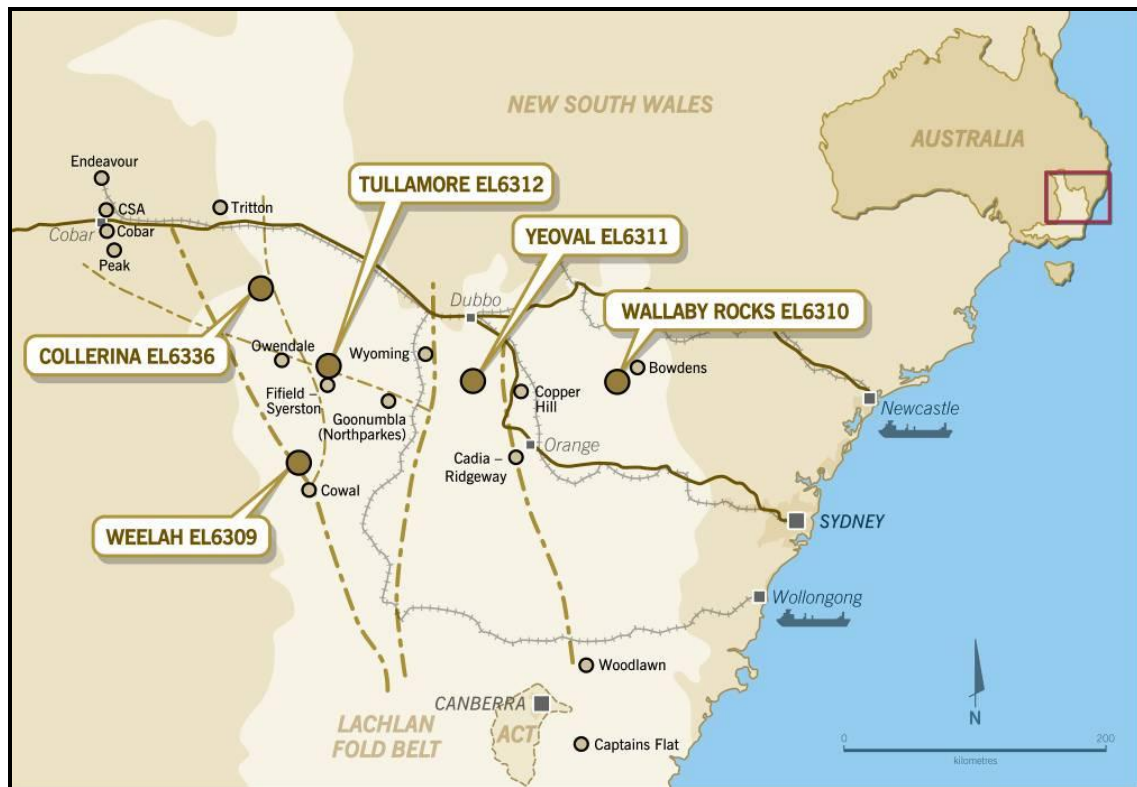
Indonesian Project Locations.

Central and Western NSW

The central and western region of NSW hosts a number of world class deposits including the Cadia, Ridgeway and North Parkes deposits. Augur has JORC compliant inferred resource estimates for deposits at Yeoval (12.9Mt 0.38% copper, 0.12 g/t gold, 120ppm molybdenum and 2.1 g/t silver) and Collerina (Homeville deposit – 12.2Mt 0.91% nickel and 0.06% cobalt). Both of these deposits remain open in extent and therefore are only partially defined.

Collerina (EL 6336)

The Collerina tenement 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 (JORC Inferred Resource of 12.2Mt at 0.91% nickel and 0.06% cobalt), which was discovered by Augur in 2008.



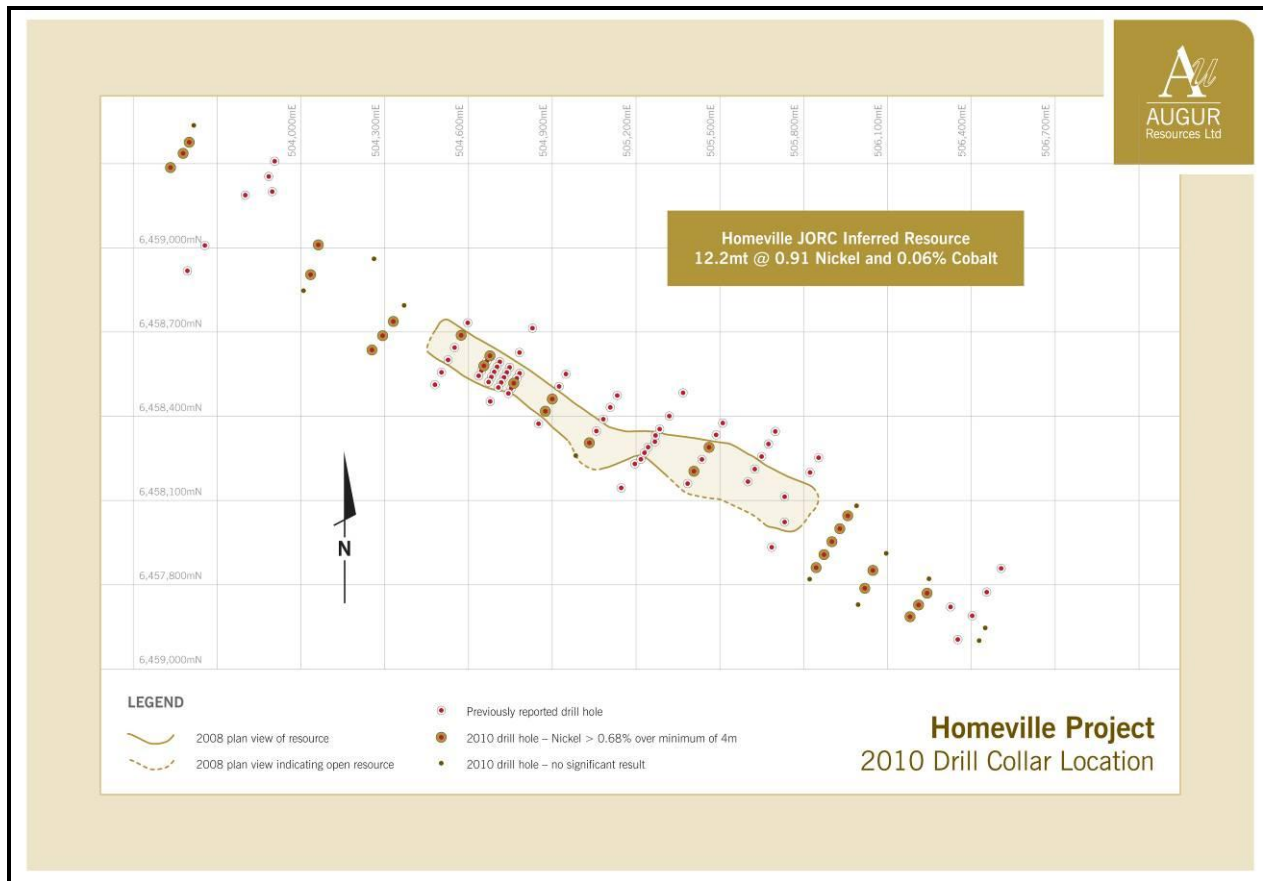
NSW Project Locations.



Drilling at the Homeville nickel-cobalt deposit.

During the quarter, Augur continued metallurgical studies of the Homeville mineralisation. This phase of testing will aid in the development of a processing path for the Homeville mineralisation. The initial results are encouraging with extraction of up to 78% of the nickel and 80% cobalt from bench scale atmospheric leach testing of the saprolite material.

Further modelling of the Homeville mineralisation occurred during the quarter. Reporting of an update with regards to the resource size and grade is expected in early 2011.



Drill hole collar locations and the outline of the current Homeville nickel – cobalt resource.

Weelah (EL 6309)

During the quarter, Augur entered into a Binding Heads of Agreement with Meridien Resources Limited ('Meridien') covering Augur's Weelah tenement in central western New South Wales.

Meridien paid Augur \$5,000 for a 6 month option on the property and on payment of a further \$40,000 (in cash and shares) will acquire an 80% interest in the property. Augur's 20% interest will be free carried to feasibility.

Yeoval (EL 6311), Tullamore (ELs 6312 and 7337) and Goodrich (ML 811)

No significant field work was undertaken during the quarter on these prospects. Augur is reviewing options for Yeoval and Tullamore.

CORPORATE

During the quarter, Augur appointed Mr Justin Werner as a Director. Mr Werner is the CEO for Nickel Mines Limited, a private company which is exploring and developing significant nickel resources in Central Sulawesi and West Papua. He was a founding partner of PT Gemala Borneo Utama, a private Indonesian exploration and mining company, which developed a heap leach gold mine in West Kalimantan and which is also exploring the highly prospective Romang Island with ASX listed Robust Resources Limited.

Mr Werner has worked as a consultant for specialist mining consultancies GPR Dehler, Jamieson Consulting and Partners in Performance. He has led many successful turn around projects for blue chip mining companies including Freeport Mc Moran (Grassberg deposit , Indonesia where he spent 2 years); Lihir Gold(Lihir mine, Papua New Guinea); Placer Dome(Nevada, USA); BHP Billiton (Ingwe Coal, South Africa); Rio Tinto (West Angeles Iron Ore, Australia); Nickel West (Western Australia) and QNI Yabulu refinery (Queensland, Australia).

Augur continues to pursue advanced exploration projects in Indonesia. During the quarter Augur's partner in Indonesia continued progression of the acquisition of properties held by the Hunamas Group of companies. Final resolution of this deal has yet to be reached.

For further information, please contact Grant Kensington on +61 2 9300 3310.

Yours sincerely



Grant Kensington
Managing Director

pjn5823

The information in this ASX announcement referring to Augur Resources Ltd's 31 December 2010 Quarterly Report is based on information compiled by Augur staff and approved by Mr Grant Kensington, who is a Member of the AusIMM.

Mr Kensington is an employee of Augur Resources Ltd 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 Kensington consents to the inclusion in the report of matters based on his information in the form and context in which it appears.

About the Central Jampang Gold Project

The Central Jampang gold project covers an area of approximately 390 hectares in south-western Java, Indonesia. Augur has an option to acquire 90% of PT Golden which holds exploitation and exploration licences covering the project area. The licence area covers a highly prospective mineralised zone which had been a focus of exploration by Mispac Resources Inc ('Mispac') in the mid 1990s. Java hosts a number of gold deposits including the Pongkor gold-silver deposit (+3,000,000 ounce gold deposit) which is approximately 50 kilometres north northwest of the Central Jampang licence area.

The general geology of the Jampang area consists of Miocene/Oligocene andesite and dacite rocks overlain, in part, by recent volcanic tuffs. The volcanic tuffs have a thickness of up to 20 metres. Steeply dipping breccias and quartz veining have been identified within the Central Jampang gold project area.

Mispac identified and reported significant epithermal gold mineralisation associated with structural trends. Much of this mineralisation is reported to be open at depth and along strike.

Furthermore, Mispac undertook geophysical surveys subsequent to their main drilling program and identified anomalies associated with the known mineralisation and four additional anomalies which either have not been drill tested or have had only limited drill testing.

Mispac was planning to undertake further work at Jampang, but was hampered in raising sufficient funds due to negative sentiment in the market in light of the 1997 Bre-X scandal, the Asian financial crisis and the prevailing price of gold.

Augur is progressing towards establishing the preliminary JORC resource for the Central Jampang gold project.

Diamond drilling has confirmed extensive gold + copper mineralisation. Drilling is also planned to test a number of geophysical anomalies.