

16 May 2011

The Manager Companies
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

(8 pages by email)

Dear Madam,

Further Wonogiri Drilling Results Return Broad Zones of Gold and Copper Mineralisation

- Further results from the diamond drilling program at the Randu Kuning prospect within the Wonogiri project have been received. A broad zone of gold has been identified within quartz sheeted veins and associated stockworks.
- Hole WDD004 returned:
 - **37.0 metres at 1.23 g/t gold and 0.44% copper from just 6.0 metres depth;** and a further
 - 4.0 metres at 0.45 g/t gold and 0.43% copper from 50 metres.
- Hole WDD003 returned multiple zones of gold mineralisation including:
 - **5.2 metres at 0.85 g/t gold and 0.38% copper from surface;** and
 - **4.5 metres at 0.97 g/t gold and 0.26% copper from just 9.5 metres;** and a further
 - **3.5 metres at 0.82 g/t gold and 0.22% copper from 16.5 metres.**
- An additional drill rig has been sought to escalate advancement of project.

The Directors of Augur Resources Ltd ('Augur' or 'the Company') are pleased to report further diamond drill hole results from the Randu Kuning prospect, Wonogiri project in Central Java.

Hole WDD003 was drilled to test the eastern edge of a broad stockworking zone in the southern portion of the Randu Kuning prospect. The hole was collared at the eastern extent of an anomalous surface trench (98 metres at 0.91 g/t gold and 0.29% copper).

Hole WDD003 intersected three significant zones of gold mineralisation within the top 20 metres including 5.2 metres of 0.85 g/t gold from surface and 4.5 metres at 0.97 g/t gold and 0.26% copper from just 9.5 metres. These results show that gold mineralisation extends further east than identified in the recent trenching at Randu Kuning.

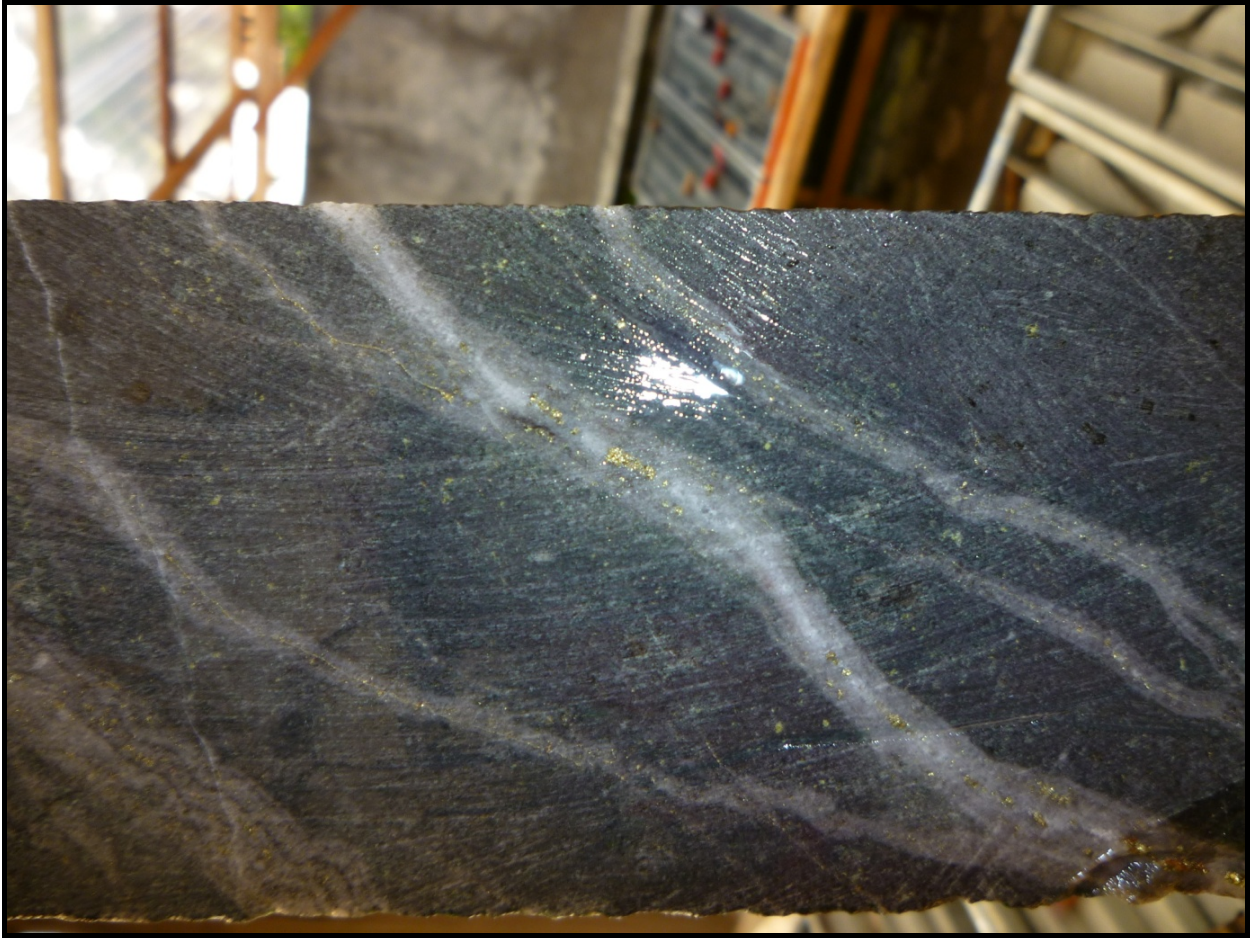
Hole WDD004 was drilled approximately 50 metres north of hole WDD003 and approximately 55 metres south of hole WDD001 (53.6 metres at 1.4 g/t gold and 0.3% copper). This hole intersected weakly anomalous gold in the first 6.0 metres before intersecting a zone of **37 metres at 1.23 g/t gold and 0.44% copper**. Gold and copper in this zone is associated with a broad zone of quartz stockworking and sheet quartz veins in a microdiorite. Copper bearing chalcopyrite has also been identified as disseminations within the microdiorite host rock. Alteration in the mineralised zone is interpreted as potassic and the style of mineralisation is interpreted to be of a gold-copper porphyry system. Arsenic levels are generally below detection over the mineralised zone and this is regarded as highly favourable.

The promising results encountered at Randu Kuning has led to Augur seek a second drill rig for further testing at Randu Kuning and at a number of other prospects within the northern Wonogiri project area.

Managing Director Grant Kensington commented:

“The new results continue to be very encouraging. The historic drill results, the recent trenching results and our new drill results continue to indicate a significant zone of gold mineralisation. As a consequence, our drill program has been extended to test continuity of mineralisation at depth and to advance this testing a further drill rig has been sought.

The area has potential for a large bulk-tonnage gold deposit.”



Quartz veining in hole WDD005 at 82.6 metres depth. Assay results not yet received.

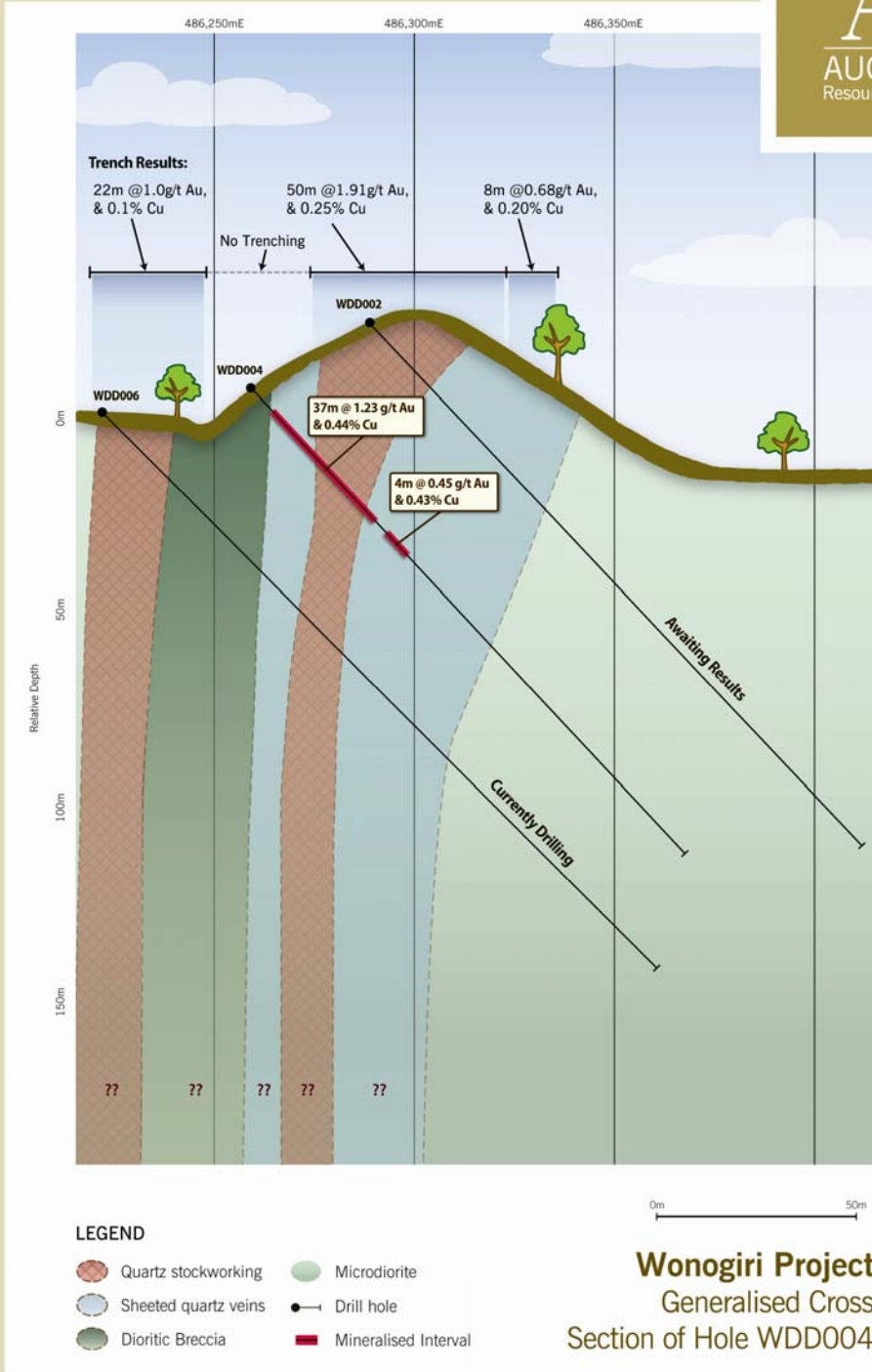
The golden coloured mineral is the copper bearing mineral chalcopyrite.

The length of the core shown is approximately 16cm.

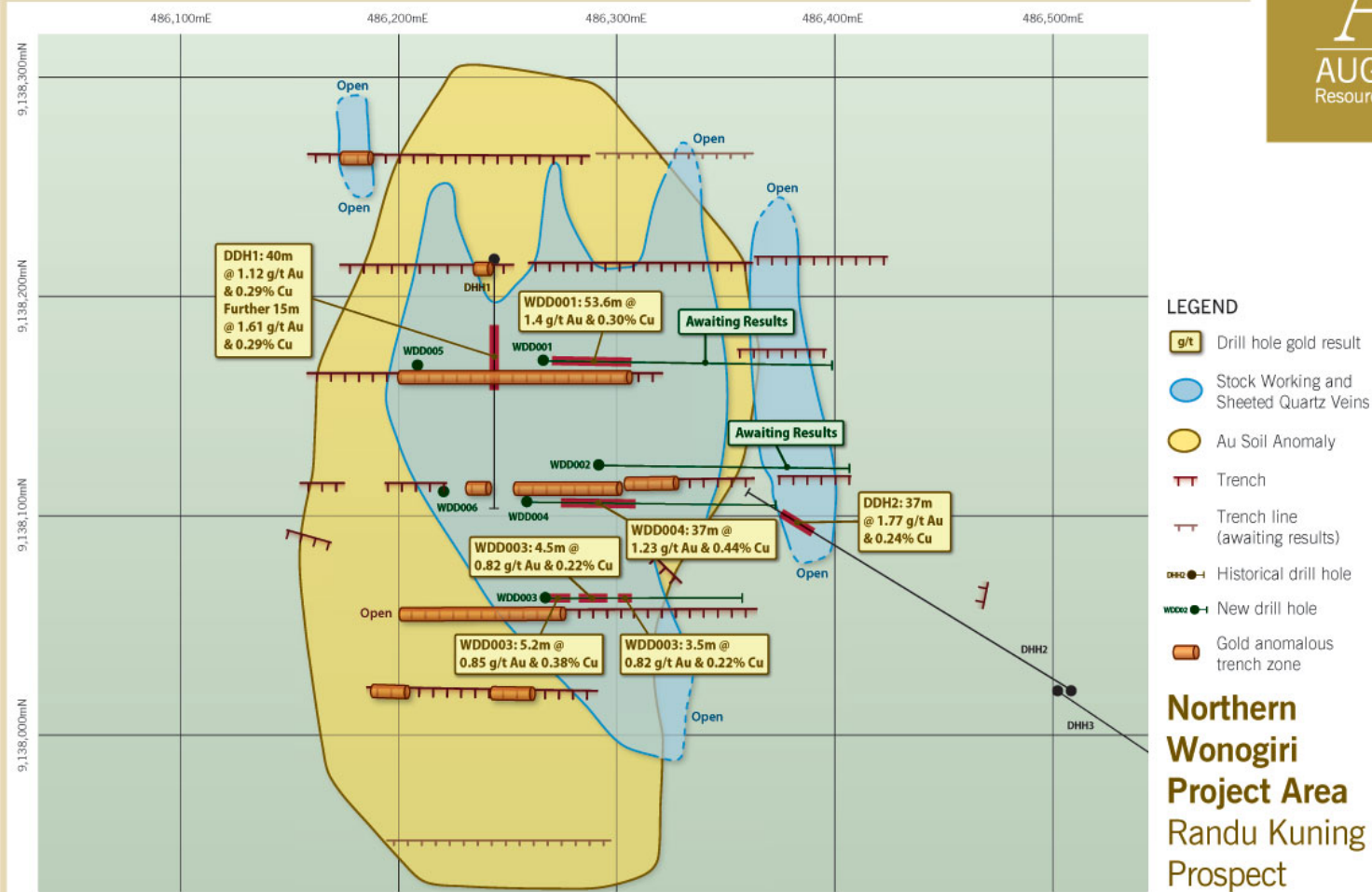
Augur is awaiting results for the remainder of hole WDD001 below 70.9 metres, WDD002 and WDD005. Augur is currently using two laboratories in Indonesia to try and improve turnaround time on sample analysis.

Trenching continues within the Northern Wonogiri area. Reassessment of historic geophysical data and current trench geology data has led to the trenching program being extended to a number of new areas.

As drill targets are finalised, Augur plans to commence drill testing of these targets.



Generalised cross section WDD004, Wonogiri project



Drill results from Randu Kuning prospect, Wonogiri project

Significant Previous PT Oxindo Results

Previous exploration within the prospect carried out by PT Oxindo between 2009 and 2010 was focused on testing porphyry copper targets associated with a modelled magnetic high. Two deep diamond holes were drilled at the Randu Kuning prospect with both holes intersecting significant gold \pm copper mineralisation at depth, highlighting the potential for a bulk tonnage gold target.

Drill hole DDH 1 returned **40 metres at 1.12 g/t gold** and **0.29% copper** from 92 metres depth and a further **15 metres at 1.61 g/t gold** and **0.20% copper** from 137 metres.

Drill hole DDH 2 returned **37 metres at 1.77 g/t gold** and **0.24% copper** from 458 metres depth.

DDH1 was drilled sub-parallel to the orientation of the sheeted veins exposed at the surface of Randu Kuning whilst DDH2 was drilled at an orientation perpendicular to DDH1 and the orientation of the sheeted vein system/stockwork zone. Trenching to date indicates that the intersections are separate sub-parallel zones.

PT Oxindo also undertook rock chip and soil sampling in the north of the Wonogiri area, where maximum rock chip results of **24.7 g/t gold** and **1.78% copper** (different samples) were returned. Rock chip results in the north of the Wonogiri licence area have identified an anomalous zone of approximately 1.7 kilometres by 1.1 kilometres which covers five gold \pm copper anomalous prospects. This zone remains open in all directions.

Current Program

Diamond drilling on a 50 by 50 metre grid is occurring at the Randu Kuning prospect to test the surface mineralisation exposed in the trenching program and to test previous drill intersections of PT Oxindo.

An ongoing trenching program within the Wonogiri project will continue to test areas of mineralised vein systems identified by Augur and PT Oxindo. Results from this trenching will be used to further develop drill programs to test these additional prospects.

Drilling Results

Hole	Prospect	Easting	Northing	Dip	Azimuth (Mag)	From	To	Interval (m)	Gold g/t	Copper %
WDD003	Randu Kuning	486262	9138065	45	90	0	5.2	5.2	0.85	0.38
						9.5	14.0	4.5	0.97	0.26
						16.5	20.0	3.5	0.82	0.22
WDD004	Randu Kuning	486264	9138115	45	90	6.0	42.0	37.0	1.23	0.44
						38.0	40.5	2.5	2.30	1.85
						50.0	54.0	4.0	0.45	0.43

Wonogiri Project

The Wonogiri project is located approximately 30 kilometres to the south of the provincial city of Solo in central Java and is easily accessible by daily flights from the capital Jakarta and a short one hour drive by car on a sealed road.

The project lies within the Sunda-Banda arc and covers an area of 3,928 hectares. The area is considered prospective for epithermal gold and porphyry copper-gold mineralisation.



Previous exploration completed by PT Oxindo from 2009 to 2010 targeted copper porphyry mineralisation within the northern portion of the licence. PT Oxindo undertook detailed mapping, soil sampling and geophysical work which culminated in a five hole diamond drill program to test a number of modelled magnetic high bodies.

Augur has an agreement to earn a 51% interest of the project after the expenditure of US\$1.5 million within 12 months from 15 December 2010 and can earn an 80% interest in the project with the expenditure of a further US\$2.0 million with 24 months of 15 December 2010. No upfront payment or issue of shares was required.

PT Oxindo is a subsidiary of the Minerals and Metals Group which owns and operates a portfolio of world class base metal mining operations, development projects and exploration fields.

Statement of Compliance

The information in this report that relates to Exploration Results is based on information compiled by Augur staff and contractors and approved by Mr Grant Kensington, geoscientist, who is a Member of the Australasian Institute of Mining and Metallurgy. Grant Kensington is a full-time employee of the Company who 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'. Grant Kensington has consented to the inclusion in this report of the matters based on his information in the form and context in which they appear.

Mineralisation cut-off used is 0.5 g/t gold and/or 0.3% copper with a maximum contiguous dilution interval of 2.0 metres. Sample intervals are generally 0.5 metres. Assaying has been completed by PT Intertek Utama Services, a subsidiary of Intertek Group Inc. Blanks and/or independent standards are used in each sample batch at approximately 10 metre intervals.

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

Yours sincerely



Grant Kensington
Managing Director

pjn6002