



Gold Aura Limited

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Company Announcements Office
Australian Stock Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Sir, **OPTION AGREEMENT IN THE TAPAJOS MINERAL PROVINCE,
NORTHERN BRAZIL**

GOA has entered into a Memorandum of Understanding (MOU) with a local Brazilian national which provides for a three month option to evaluate a number of gold properties in the Tapajos region of northern Brazil for a consideration of US\$5,000 per month. At the end of this option period, GOA can negotiate to undertake exploration for up to a maximum term of three (3) years on one or more of the projects selected prior to GOA deciding on whether or not to acquire equity in selected properties on terms to be negotiated.

The Tapajos Mineral Province covers an area of 168,000 km² within the Amazon Region of Northern Brazil. The geology of the region comprises locally altered and mineralised Middle Proterozoic felsic volcanics and intrusive rocks with only minor sedimentary units. Primary gold mineralisation is strongly structurally controlled and is mainly of the fissure vein and vein-stockwork styles developed within regional shear zones.



The Mineral Province has been a significant gold producer with total production from the first discovery in 1958 up to the end of 1993 estimated to be around 18 Moz. Production peaked in the period 1983 to 1989 when more than 300,000 local artisanal miners produced about 1 Moz per year. This production has been predominately from alluvial and elluvial deposits although more recently the region has been recognised as a major hardrock gold province. It is widely believed that the Tapajos region has the potential to host a variety of medium (>0.5 Moz Au) to large (>3 Moz Au) open-pittable, oxide and mixed oxide/sulphide deposits. GOA considers the region to offer considerable potential.

Previous field work by GOA in 2005 has already identified a large area of potential hard-rock epithermal gold mineralisation in the Cachoeira Prospect area. Follow-up work on this prospect area under the MOU has commenced. In addition concentrations of various heavy minerals including gold, ilmenite, zircon and cassiterite have been identified locally within the alluvials and these will also be investigated. Other prospects may be selected for evaluation within the three month period.

The information contained in this report that relates to Exploration Results, Mineral Resources and Ore Reserves is based on information compiled by Mr Ken Chapple, Executive Technical Director of Gold Aura Limited. Mr Chapple is a Member of the Australasian Institute of Mining and Metallurgy and has the relevant experience in relation to the mineralisation being reported upon 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 Chapple consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Yours faithfully
GOLD AURA LIMITED

A handwritten signature in black ink, appearing to read 'Ken Chapple', followed by a period. The signature is written in a cursive, flowing style.

Ken Chapple
Technical Director