



Gold Aura Limited

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Company Announcements Office
Australian Stock Exchange Limited
20 Bridge Street
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Dear Sirs

Gold Aura Limited (GOA) announces that the Pre-feasibility Study has been completed over the Fergusson Island Gold Project in Papua New Guinea.

The Study indicates that a profitable mining operation can be established, on the available resources, subject to confirmation of parameters and costing within the scope of a Bankable Feasibility Study (BFS).

The study suggests two alternative production levels be further evaluated in the BFS.

- (a) A mining rate of 600,000 tonnes per annum of ore, which the study felt could be sustained by the existing resource over of a planned life of 12 years.
- (b) A mining rate of 1,000,000 tonnes per annum of ore, which the study felt could be sustained for at least seven years and for a longer period of time if additional resources were to be defined.

There is considered to be sufficient potential for further exploration to identify the additional resource required to sustain the higher mining rate for a longer period.

The pre feasibility study involving Whittle Pit Optimisation, followed by open cut pit design, has indicated that 7 million tonnes at an estimated grade of 2.1 gms/tonne could be mined.

The process plant would involve primary crushing, SAG mill and flotation concentration, with off site processing of concentrates.

Metallurgical testwork has indicated a gold recovery of 85%.

If a mining rate of 1 million tonnes per annum was utilised then based on the current resources.

- (a) The gold production would be 50,000 ounces per annum
- (b) Capital Cost: \$23 million
- (c) Cash operating surplus: \$15 million per annum, based on current gold prices
- (d) The NPV would be \$40 million at a discount of 12% per annum

The Pre-feasibility Study involved a re-modelling of the gold resources, open cut mine design and metallurgical test work, carried out under the supervision of GOA Mining Director Mr Tim Prowse.

The board will now consider the options available with respect to the conduct of a Bankable Feasibility Study and the development of the project.

The mineral resources information in this Report is based on, and accurately reflects, information compiled by Mr Rob Murdoch who is a Corporate Member of the Australasian Institute of Mining and Metallurgy. Mr Murdoch is the Managing Director of Union Capital Limited. Mr Murdoch has the relevant experience in relation to the mineralisation being reported upon to qualify as a Competent Person as defined in the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves.

Yours faithfully

GOLD AURA LIMITED

A handwritten signature in black ink, appearing to read 'RM', with a long horizontal flourish extending to the right.

Rob Murdoch
Executive Chairman