



# Gold Aura Limited

A.B.N. 75 067 519 779

Tel: +61 7 3833-3833  
Fax: +61 7 3833-3888

Level 6, 200 Creek Street, Brisbane

Postal Address:  
PO Box 728  
Spring Hill Q  
Australia 4004

2nd August 2004

## Dear Shareholders

On behalf of the board of directors of Gold Aura Limited (GOA), I invite you to participate in the Company's Share Purchase Plan whereby every shareholder will be able to subscribe for up to \$5,000 worth of new GOA shares at 13 cents per share. This offer allows shareholders an opportunity to add to their holding in GOA whilst the Company is still a relatively small gold explorer.

The funds raised in the issue will be utilised for working capital and as follows:

**FEASIBILITY STUDIES:** (subject to successful pre-feasibility studies in progress).

- Into the potential to develop the **880,000 ounces** Fergusson Island Gold Project in PNG.
- Into the potential to develop a major graphite deposit at Croydon, in North Queensland.

**EXPLORATION:**

- The exploration of 5-6 key gold targets at Croydon in North Queensland.
- Investment in highly prospective new possible gold projects in Central Asia, China and Scandinavia.

**FERGUSSON GOLD PROJECT:**

GOA has successfully increased the gold resources on Fergusson Island by 30% in the past two years. The gold resources are now **15.3 million tonnes at a grade of 1.8 g/t Au** (cut off grade of 1.0 g/t Au) and there is plenty of scope for this figure to be increased by further drilling.

The resource has now reached a size where consideration needs to be given to its development. The key to making Fergusson a successful mine will be finding a low cost method of extracting a gold bearing concentrate on site for further processing elsewhere. The preliminary scoping study was encouraging and the metallurgical test work to identify the optimum methods of making the concentrate is already underway.

**CROYDON GOLD PROJECT:**

The Croydon Goldfield is one of Australia's largest gold systems. Whilst many of the deposits are small, occupying narrow geological structures, there is no reason why, if larger structures can be found, GOA will not locate bigger gold deposits.

GOA already has around 200,000 ozs in gold resources in five of the larger known deposits at Croydon. GOA is of the view that these resources will significantly support any larger deposit that might be found through further exploration.

Consultant Company Ausmec, have carried out a detailed study of the field and have identified 5-6 key gold areas which it recommends GOA focus its exploration. These targets are in addition to a number of geophysical targets to the north of the known extent of the Goldfield that may reflect large gold bearing structures.

**CROYDON GRAPHITE PROJECT:**

A major graphite deposit occurs within the GOA tenements at Croydon. The price of graphite has increased significantly in the last few years to now be in the range US\$500 – US\$2000 per tonne dependent upon quality. The Company has commenced a pre-feasibility study into the development of the deposit. It is possible that this deposit could provide a valuable cash flow for GOA in the future.

**ADDITIONAL GOLD PROJECTS:**

GOA is actively evaluating other opportunities to ensure that the Company is always directing its exploration and development dollar into the very best opportunities available to it.

Our technical director Mr Ken Chapple has been very active in seeking new opportunities:

- The Company is currently negotiating on gold projects in two countries, both with early mine development potential.
- GOA has lodged exploration applications over two separate parts of the Black Shale Gold Belt of Central Asia, a geological zone known to host several giant gold deposits, including the world's largest gold deposit, Muruntau with a reported 135 million ounces.

**GOA HAS STRENGTHENED ITS TECHNICAL CAPABILITY:**

Recently Dr Noel White a former Chief Geologist of BHP joined the GOA board. Dr White brings extensive international experience particularly in gold exploration and research and will assist in the evaluation of both new and existing projects.

Mr Tim Prowse has joined GOA to supervise the feasibility studies on Fergusson Gold Project and on the Croydon Graphite Project. Tim is a highly experienced "hands on" gold mining engineer, with the capacity to get maximum value from these projects for GOA shareholders.

**CONCLUDING REMARKS:**

As Chairman, I am confident that GOA will prove in time to be both a very active and successful gold explorer. Further, with pre-feasibility studies underway, GOA could in the next few years enter a new era of mine development and establish an independent cash flow.

I see the share issue as an excellent way for existing shareholders to top up their interest, before that success is achieved. However, on the other hand, success can never be guaranteed and hence the issue must be considered as speculative by shareholders and I encourage you to seek independent advice.

Please feel free to either email or telephone me should you require additional information on the company or its prospects.

Kindest Wishes

**GOLD AURA LIMITED**



Rob Murdoch  
Chairman



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## Notice of General Meeting and Explanatory Memorandum

Notice is hereby given that a General Meeting of Gold Aura Limited ("the Company") is to be held at the registered office of the Company, Level 6, 200 Creek Street, Brisbane, Queensland on Thursday 2<sup>nd</sup> September 2004 at 10 am (Brisbane time).

### Ordinary Business

#### RESOLUTION 1 – AUTHORISE THE ISSUE OF UP TO 7,000,000 SHARES

*"That in accordance with the provisions of Listing Rule 7.1 of the Official Listing Rules of the ASX, and for all other purposes, the Company and the Directors of the Company are hereby authorised to issue up to 7,000,000 ordinary shares and free attaching options at an issue price of not less than 80% of the average Market Price of the Company's shares over the five (5) business days prior to the date of issue, to such persons as the Company and Directors think fit from time to time and who fall within one or more of the classes of exemptions specified in section 708 of the Corporations Act 2001."*

Note: In accordance with the provisions of the Listing Rules:

- a) For the purposes of this Resolution, "Market Price" has the meaning ascribed to that term in the Listing Rules,
- b) The shares will be issued and allotted as soon as is practicable after the Meeting, and in any event, no later than 3 months from the date of the Meeting,
- c) The resulting shares will have the same rights and entitlements as existing fully paid ordinary shares in the capital of the Company,
- d) The Company will make application to quote the Placement Shares,
- e) The funds being raised by the issue will be used to fund general working capital requirements, for the investigation of new resource projects and the evaluation and development of existing resource projects,
- f) The shares will not be issued to any related party of the Company (within the meaning of the ASX Listing Rules).
- g) The Company will disregard any votes cast on this resolution by:
  - Any person who may participate in the proposed issue and any person who might obtain a benefit, except a benefit solely in the capacity of a security holder, if the resolution is passed; and
  - Any person who, for the purpose of Division 2 of Part 1.2 of the Corporations Law would be regarded as an associate of such a person.

However, the Company need not disregard a vote if:

- It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- It is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with the direction on the proxy form to vote as the proxy decides.

**EXPLANATORY MEMORANDUM**

This Explanatory Memorandum is provided to shareholders of Gold Aura Limited ("the Company") to explain the resolution to be put to shareholders at the General Meeting to be held at the registered office of the Company, Level 6, 200 Creek Street, Brisbane, Queensland on Thursday 2<sup>nd</sup> September 2004 at 10 am (Brisbane time).

**BACKGROUND NOTES ON RESOLUTION****Resolution 1**

The Company intends to make a small scale offering of new ordinary shares to all of its shareholders registered as at 30<sup>th</sup> July 2004 (the "Record Date"), pursuant to ASIC Class Order CO 02/831 (the "Share Purchase Plan"). Eligible Shareholders will be entitled to apply for up to \$5,000 new ordinary shares at an issue price of 13 cents (\$0.13) per share in accordance with the terms of the Share Purchase Plan. The full terms of the Share Purchase Plan are set out in the Shareholders' Share Plan Application Form attached to this Notice of General Meeting and Explanatory Memorandum.

The issue of securities under the Share Purchase Plan complies with exception 15 of Listing Rule 7.1 and accordingly the Company is not seeking shareholder's approval for issuing of new ordinary shares under the Share Purchase Plan.

It has been determined by the Board that the maximum number of shares to be issued under the Share Purchase Plan and a private placement will be 7,000,000, and that if the total number of subscriptions received under the Share Purchase Plan exceeds this number, applications will be accepted on a "first come first served" basis

Should subscriptions under the Share Purchase Plan not reach 7,000,000 ordinary shares, the directors are seeking approval to issue additional shares as a private placement for up to a total of 7,000,000 ordinary shares and free attaching options at a price not less than 80% of the prevailing weighted average market price of the shares calculated over the last 5 days on which sales in the shares were recorded before the issue was made. The options will have an exercise price of 25 cents per share and convert on a 1 for 1 basis into new ordinary shares any time on or before 31 March 2005.

The Company believes that all other relevant information concerning this resolution is included in the text relating to this resolution contained in the Notice of Meeting, and therefore no further comment on this resolution is made.

By Order of the Board  
**GOLD AURA LIMITED**



Peter Sauerberg  
Company Secretary

2<sup>nd</sup> August 2004

# APPOINTMENT OF PROXY FORM

To: The Secretary  
Gold Aura Limited  
Suite 1, Level 6, 200 Creek Street  
(Postal: PO Box 728)  
Spring Hill QLD 4004  
Fax: +61 7 3833 3888  
Tele: +61 7 3833 3833

I/We <sup>(1)</sup> .....

of .....

Being a shareholder of Gold Aura Limited (ABN 75 067 519 779) and qualified to vote, hereby appoint:

Name <sup>(2)</sup> .....

of .....

or in their absence or if no appointee is named, the Chairman of the Meeting, as my proxy to vote and act for me on my behalf at the Meeting of the Company to be held on Thursday 2<sup>nd</sup> September 2004 and at any adjournment of that meeting.

If you do not wish to direct your proxy how to vote, please place a mark in the box. [ ]

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolutions and votes cast by him other than as proxy holder will be disregarded because of that interest. In this regard, in relation to undirected proxies, the Chairman intends to vote in favour of the resolutions.

## I direct my proxy to vote in the following manner:

Voting instructions are to be indicated by placing a mark in the appropriate box.

	ORDINARY RESOLUTION	FOR	AGAINST	ABSTAIN
1	To authorise the issue of up to 7 million ordinary shares and free attaching options.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Signature(s) <sup>(3)</sup> .....Date.....

## Notes to Proxy Form

- (1) Insert name and address of shareholder in block letters, as it appears in the register of shareholders.
- (2) Insert name and address of proxy in block letters, or leave blank if you wish to appoint the Chairman. The proxy need not be a shareholder of Gold Aura Limited. A shareholder is entitled to appoint not more than two (2) proxies. If more than one proxy is appointed, then neither proxy shall have the right to vote on a show of hands and for a poll, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights.
- (3) All holders, and where applicable joint holders of shares, or their attorney must sign this proxy form. A corporation must sign under seal or by its duly authorised officer. If signed under the Power of Attorney, the attorney hereby states that no notice of revocation of the power has been received.

Proxy forms, and where applicable, the Power of Attorney or notarially certified copy of same, must be received at the registered office of the company at: Suite 1, Level 6, 200 Creek Street, Queensland 4000 (Postal: PO Box 728, Spring Hill, Queensland 4004 or facsimile 61-7-3833 3888) no later than 48 hours before the time of holding the meeting.

**NOTIFICATION OF CHANGE OF ADDRESS OF SHAREHOLDER (\*\* For issuer sponsored shareholders only)**

To: Pitcher Partners Registry Services  
Level 22  
300 Queen Street  
Brisbane Q 4000  
Tel: +61 07 3228 4219  
Fax: +61 07 3221 3149

Dear Sir

I/We .....

of (insert new address) .....

formerly of (insert old address) .....  
being a shareholder and/or optionholder of Gold Aura Limited request you to record my new  
address detailed above.

Signed (all holders to sign) .....

Date ...../...../.....

\*\* Please note that if you are a CHESS holder, then any change of address must be notified to your  
CHESS broker and not the company or the share registry.



# Gold Aura Limited

A.B.N. 75 067 519 779

## SHAREHOLDERS' SHARE PLAN APPLICATION FORM

I/We the above mentioned being registered as ordinary shareholder(s) in the Company as at 30<sup>th</sup> July 2004 do hereby apply for the number of new shares as stated below at an issue price of 13 cents (\$0.13) per share issued in accordance with the terms of the Gold Aura Limited Shareholders' Share Plan and the Constitution of the Company.

NUMBER OF NEW SHARES	APPLICATION AMOUNT PER SHARE	AMOUNT ENCLOSED
	AT 13 CENTS (\$0.13) PER SHARE	\$ _____

### IMPORTANT NOTICE

The maximum number of new shares you can apply for is 38,462 which will cost \$5,000

### APPLICATION

I/We enclose payment of 13 cents (\$0.13) for each new fully paid ordinary share applied for. I/We hereby authorise you to place my/our name(s) on the register of members in respect of the new fully paid shares allotted to me/us and I/We agree to be bound by the terms of the Gold Aura Limited Shareholders' Share Plan and the Company's Constitution.

Payment may be made by cheque or by credit card. Please complete one of the following:

### PAYMENT BY CHEQUE

Insert details of your cheque or bank cheques - please complete in BLOCK LETTERS

Name of Drawer	Cheque No.	Bank	Branch	Amount
				\$

OR

### PAYMENT BY CREDIT CARD

Please debit my credit card:  Mastercard  Bankcard  Visa

Card No.:

Signature:

Name on  
Card: \_\_\_\_\_

Expiry Date: \_\_\_\_/\_\_\_\_

### LODGE YOUR APPLICATION AS SOON AS POSSIBLE

**NOTE:** Return of the Application Form, together with your cheque(s) or credit card payment for the application monies, will constitute your offer to subscribe for new shares in the Company, and your acceptance of the Terms and Conditions of the Gold Aura Limited Shareholders' Share Plan. **No signature is required on this form unless you wish to pay for your new shares by way of credit card, in which case the credit holder must sign in the box above where indicated.**

### CERTIFICATION

By completing and returning this Application Form, with my cheque(s) or credit card payment for the application monies, I/we hereby certify that the amount of shares subscribed for by me/us pursuant to the Gold Aura Limited Shareholders' Share Plan (being a maximum of \$5,000 worth of shares) and any **similar arrangement** at any time in the **12 months period prior to the date of my/our application** does not exceed **\$5,000**.

**NOTE: FOR INSTRUCTIONS ON COMPLETING THIS APPLICATION FORM, PLEASE SEE OVERLEAF. IF YOU ARE UNSURE ON HOW TO COMPLETE THIS APPLICATION FORM, PLEASE CONTACT GOLD AURA LIMITED ON TEL: (07) 3833 3833 or FAX: (07) 3833 3888**

## INSTRUCTIONS TO COMPLETE APPLICATION FORM

### **Completion of Application Form**

Insert the number of new shares you wish to subscribe for in the box headed "Number of New Shares". The maximum number of new shares that you may apply for is 38,462 (or \$5,000 worth of shares). No shareholder is entitled to subscribe for more than \$5,000 worth of shares pursuant to the Gold Aura Limited Shareholders' Share Plan.

Insert the total amount of your subscription payment in the box headed "Amount Enclosed". This amount should be the number of new shares applied for, multiplied by the issue price of 13 cents (\$0.13) per share applied for.

Please complete all relevant sections of the Application Form using **BLOCK LETTERS**.

Please see the instructions below under the heading "Payment" in relation to how you may pay for the new shares subscribed for.

### **How to Lodge your Application**

The completed Application Form, together with your payment for the full amount of new shares applied for, should be forwarded to the Company located at the addresses set out below and must reach that address by **5:00pm** (Brisbane time) on **3<sup>rd</sup> September 2004**.

#### **Gold Aura Limited**

Suite 1 Level 6, 200 Creek Street  
BRISBANE QLD 4000

#### **Postal:**

PO Box 728,  
SPRINGHILL QLD 4004

Applications with payment by **CREDIT CARD** may be faxed to (07) 3833 3888. **If your Application Form is faxed in this manner, DO NOT send the originals.**

It is recommended that you lodge your Application Form and payment as soon as possible. **Applications must be received by no later than 5:00 pm** (Brisbane time) on **3<sup>rd</sup> September 2004**.

### **Payment**

You may pay for the new shares applied for by cheque or by credit card. Cash payment will **not** be accepted. The amount of your payment must be equal to the total number of new shares for which you apply, multiplied by the issue price of 13 cents (\$0.13) each.

Payments must be made in Australian Currency and cheque(s) must be drawn on an Australian Bank. Complete cheque details as requested. Cheque(s) must be made payable to "Gold Aura Limited" and crossed "not negotiable".

Cheque(s) not properly drawn will be rejected. Cheques will generally be deposited on the day of receipt. If cheque(s) are dishonoured the application will be rejected.

If you wish to pay with your credit card, please complete and sign the credit card payment authorisation on the Application Form.

**TERMS OF THE GOLD AURA LIMITED**  
**SHAREHOLDERS' SHARE PURCHASE PLAN**

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**1. DEFINITIONS**

In this Plan, unless the context otherwise indicates:

- 1.1 **ASX** means the Australian Stock Exchange Limited;
- 1.2 **Board** means the board of directors of the Company;
- 1.3 **Company** means Gold Aura Limited ABN 75 067 519 779;
- 1.4 **Eligible Shareholders** has the meaning ascribed to it in clause 2.1;
- 1.5 **Listing Rules** means the official listing rules of the ASX (as amended from time to time);
- 1.6 **Market Price** has the same meaning as that term defined in the Listing Rules of the Australian Stock Exchange Limited;
- 1.7 **Offer** means a non-renounceable offer of up to \$5,000 worth of ordinary fully paid shares in the Company to Eligible Shareholders under the Plan;
- 1.8 **Plan** means the Gold Aura Limited Shareholders' Share Plan approved by the Board;
- 1.9 **Record Date** means 30<sup>th</sup> July 2004;
- 1.10 **Shares** means new shares in the Company issued pursuant to the Plan;
- 1.11 **Subscription Price** means 13 cents (\$0.13) per Share subscribed for.

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**2. ELIGIBILITY TO PARTICIPATE**

- 2.1 Those shareholders of the Company that will be eligible to apply for Shares under the Plan ("**Eligible Shareholders**") must:
  - (a) be recorded in the Company's register of Shareholders at 5:00 pm (Brisbane time) on the Record Date; and
  - (b) have an address in a jurisdiction in which it is lawful and practical for the Company to issue the Shares (in the reasonable opinion of the Board).
- 2.2 The Offer does **not** constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an Offer. As the Offer is non-renounceable, the rights of the Offer cannot be transferred to other parties.

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**3. TERMS OF ISSUE**

Participation in the Plan is optional and is subject to these terms.

- 3.1 The Offer shall open at 9:00 am (Brisbane time) on 2<sup>nd</sup> August 2004 ("**Opening Date**") until, subject to the discretion of the Board, 5:00pm (Brisbane time) on 3<sup>rd</sup> September 2004 ("**Closing Date**"). The Board reserves the rights to close the Offer early, or to otherwise vary the Opening Date or Closing Date, without further notice.
- 3.2 The maximum number of Shares that will be issued by the Company under the Plan is 7,000,000. In the event that the Company receives subscriptions for more than the maximum 7,000,000 Shares, the Company intends to accept subscriptions for Shares on a "first come first served" basis.
- 3.3 All application monies will be deposited into a trust account and shall be refunded by the Company if the Board for any reason refuses the relevant application.
- 3.4 The Board reserves the right to reject any application for Shares, including (without limitation) if an Application Form is not correctly completed or exact payment for the number of Shares applied for is not received. The Board shall have sole discretion in determining the eligibility of application forms. In circumstances where the application is not eligible, no Shares will be issued to the relevant applicant(s),

and any application monies paid will be refunded to the relevant applicant(s) without interest.

- 3.5 If there is a consolidation or re-organisation of the issued share capital of the Company, prior to the Closing Date, the number of Shares to be issued pursuant to and in accordance with the Plan shall be consolidated in the same ratio as the issued capital of the Company.
- 3.6 The Company intends to issue the Shares under the Plan by 10<sup>th</sup> September 2004 ("**Issue Date**"). The Company reserves the right to vary the Issue Date without further notice in the event that the Closing Date is varied pursuant to clause 3.2.
- 3.7 The Company intends to apply for listing of the Shares issued pursuant to the Plan on the ASX.

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#### **4. PAYMENT FOR SHARES**

- 4.1 The Eligible Shareholders may apply for up to a maximum of FIVE THOUSAND DOLLARS (\$5,000) worth of Shares under the Plan, at the Subscription Price of 13 cents (\$0.13) per Share.
- 4.2 The Subscription Price represents a discount of approximately 13% on the weighted average trading price of the Company's shares on the ASX, over the five (5) day period 26<sup>th</sup> July 2004 to 30<sup>th</sup> July 2004 (the "Calculation Period"), and as a result is less than the "market price" during the Calculation Period.
- 4.3 Although the Purchase Price was a discount at the time of the calculation, the Shares are a speculative investment and the market price of the shares may change between the Calculation Period and the Issue Date or between the Opening Date and the Issue Date.

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#### **5. COSTS OF PARTICIPATION**

- 5.1 No brokerage, commissions or other transaction costs will be payable by Eligible Shareholders in respect of the application for and issue of Shares under the plan.

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#### **6. GENERAL**

- 6.1 The Board may change or terminate the Plan at any time. In the event that the Board does so, it will advise the ASX. Any omission to give notice of changes to, or termination of, the Plan, or the non-receipt of any such notice, will not invalidate the change or termination. The Board reserves the right to determine the approval procedures in the application of the Plan.
- 6.2 The Board reserves the right to amend or vary these terms and to suspend, terminate or cancel the Plan at any time.
- 6.3 In addition to any rights of the Board to reject applications set out in these Terms, the Board also reserves the right to allocate fewer Shares than an Eligible Shareholder applies for, or no Shares to an Eligible Shareholder, if the Board believes that the allotment of those Shares would contravene any of the Listing Rules. In any such case, any application monies paid will be refunded to the relevant applicant(s) without interest.