



# Gold Aura Limited

A.B.N. 75 067 519 779



## QUARTERLY ACTIVITIES REPORT For the Period Ended 30 September 2008

### ABOUT GOLD AURA (ASX CODE: GOA)

Gold Aura's principal activity is the global exploration for world class mineral resources.

Its current focus is evaluation of the polymetallic mineralisation discovered at Croydon, the BacTech Joint Venture on Fergusson Island in PNG and gold exploration at Sao Chico in Brazil.

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**Managing Director**  
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### EXPLORATION FOCUS ON THE CROYDON, PAPUA NEW GUINEAN AND BRAZILIAN PROJECTS

#### KEY POINTS (activities undertaken during the quarter)

##### Merger Implementation Agreement with Premier Mining Pty Ltd and Premier Minerals Limited Terminated

- Gold Aura Limited (GOA) entered into a Merger Implementation Agreement (MIA) on 23 September 2008 with Premier Mining Pty Ltd and its shareholder Premier Minerals Limited. Subsequent to the quarter, GOA has advised that the MIA has been terminated and the merger proposal will not now proceed. This decision has been influenced by current market conditions.

##### Croydon Zinc Project, North Queensland

- Gold Aura (GOA) has been awarded funding of \$40,000 by the Queensland Government for research on its polymetallic discovery in the Croydon Zinc Project area.
- GOA will use the grant to investigate the relationship between two of Queensland's most highly prospective areas for copper, lead and zinc – the Georgetown and North Western mineral provinces where they converge near Croydon.
- The funding is in addition to the funding of \$250,000 awarded to GOA towards direct drilling costs for the two high priority gravity anomalies (G1 and G3) at Croydon under the Queensland Government Collaborative Drilling Initiative.
- Detailed investigation of the Croydon mineralisation intersected at Anomalies A1 and A2, strongly suggests it is a tin granite-sourced system that has analogies to economic tin deposits in Tasmania and Bolivia.
- The resulting revised mineralisation model further enhances the G1 and G3 gravity anomalies as high priority drill targets.

##### Fergusson Island Gold Project, Papua New Guinea

- The independent technical review of the Fergusson Island Project required by BacTech for the Toronto Stock Exchange (TSXV) approval of its 50% acquisition has now been sent to the TSXV for comment. On BacTech gaining all required approvals it can then move to a 40% interest in the project by paying GOA C\$1.0 million and to 50% by sole funding a C\$1.5 million exploration program.

## GENERAL

Only limited exploration activities were undertaken during the September 2008 Quarter. No Mining production or development activities were undertaken.

## PROPOSED MERGER WITH PREMIER MINING PTY LIMITED

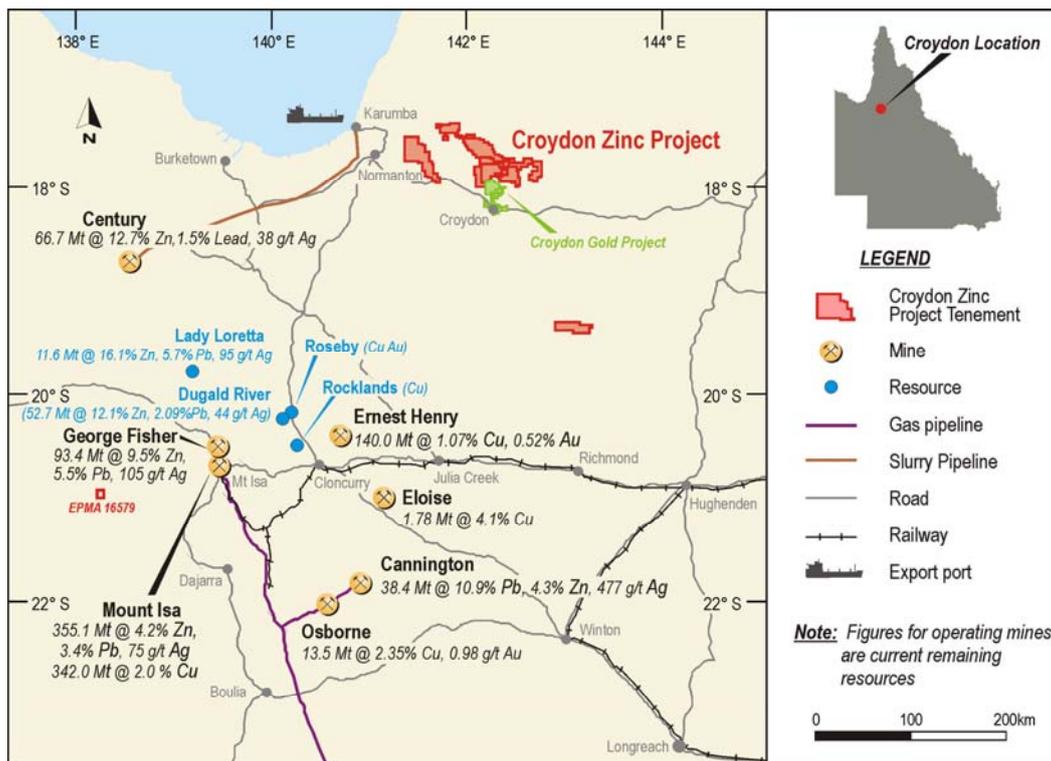
GOA entered into a Merger Implementation Agreement (MIA) on 23 September 2008 with Premier Mining Pty Ltd and its shareholder Premier Minerals Limited. Subsequent to the quarter, GOA has advised that the MIA has been terminated and the merger proposal will not now proceed. This decision follows review and discussions between both parties and has been influenced by current market conditions.

## CROYDON PROJECT – NORTH QUEENSLAND (GOA 100%)

The Croydon Project consists of two sub-projects, the Croydon Zinc Project which covers some 3,300 square km north of Croydon and the Croydon Gold Project which covers most of the historic Croydon Goldfield (845,000 oz gold and 950,000 oz silver) in the immediate Croydon area.

### QUEENSLAND GOVERNMENT RESEARCH FUNDING FOR CROYDON ZINC PROJECT

GOA has been awarded funding of \$40,000 by the Queensland Government for research into its polymetallic discovery in the Croydon Zinc Project area. GOA will use the grant to investigate the relationship between two of Queensland's most highly prospective areas for copper, lead and zinc – the Georgetown and North Western mineral provinces where they converge near Croydon.

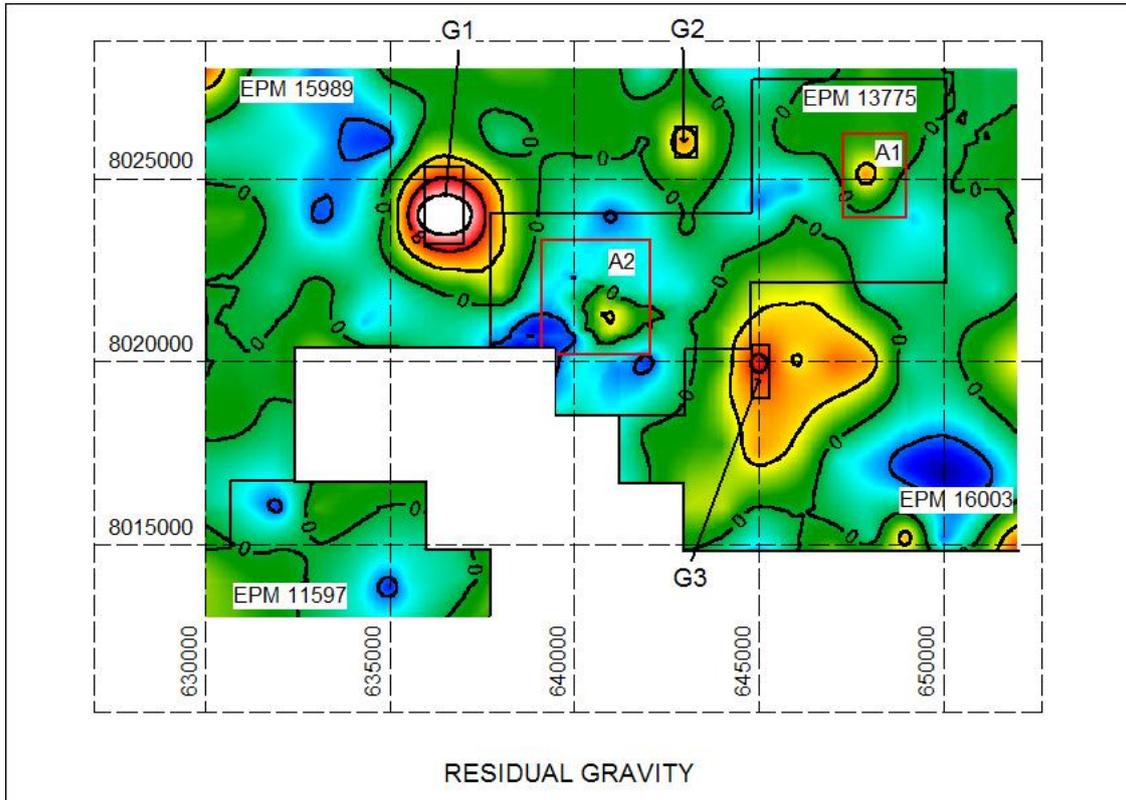


CROYDON ZINC PROJECT  
LOCATION WITH RESPECT TO MAJOR MINERAL DEPOSITS  
AND MINES (SHOWING GRADES) IN THE MT ISA REGION

The work will be undertaken in conjunction with the Tasmanian based Codes Centre of Excellence and Canberra based Geoscience Australia, both of whom are recognised world-wide for their research expertise. Work on the project has commenced.

It is considered that the Croydon Zinc Project area lies within an undercover extension of the world class Mt Isa mineral province that hosts world class mines (such as Mt Isa, Century, Ernest Henry, Cannington) and world class resources (such as Dugald River, Rocklands) and this theory will be tested by the work. If this interpretation is correct, the Project area holds considerable potential for the discovery of further mineral occurrences. The research work will involve geological mapping, rock type correlations, age dating, petrological (rock) studies and identification of mineralisation styles.

The funding is in addition to the previously announced Queensland Government partial funding of the direct drilling costs of gravity anomalies G1 and G3 under Round 2 of the Collaborative Drilling Initiative of the Smart Mining – Future Prosperity Program. Funding of \$250,000 was granted for this program.



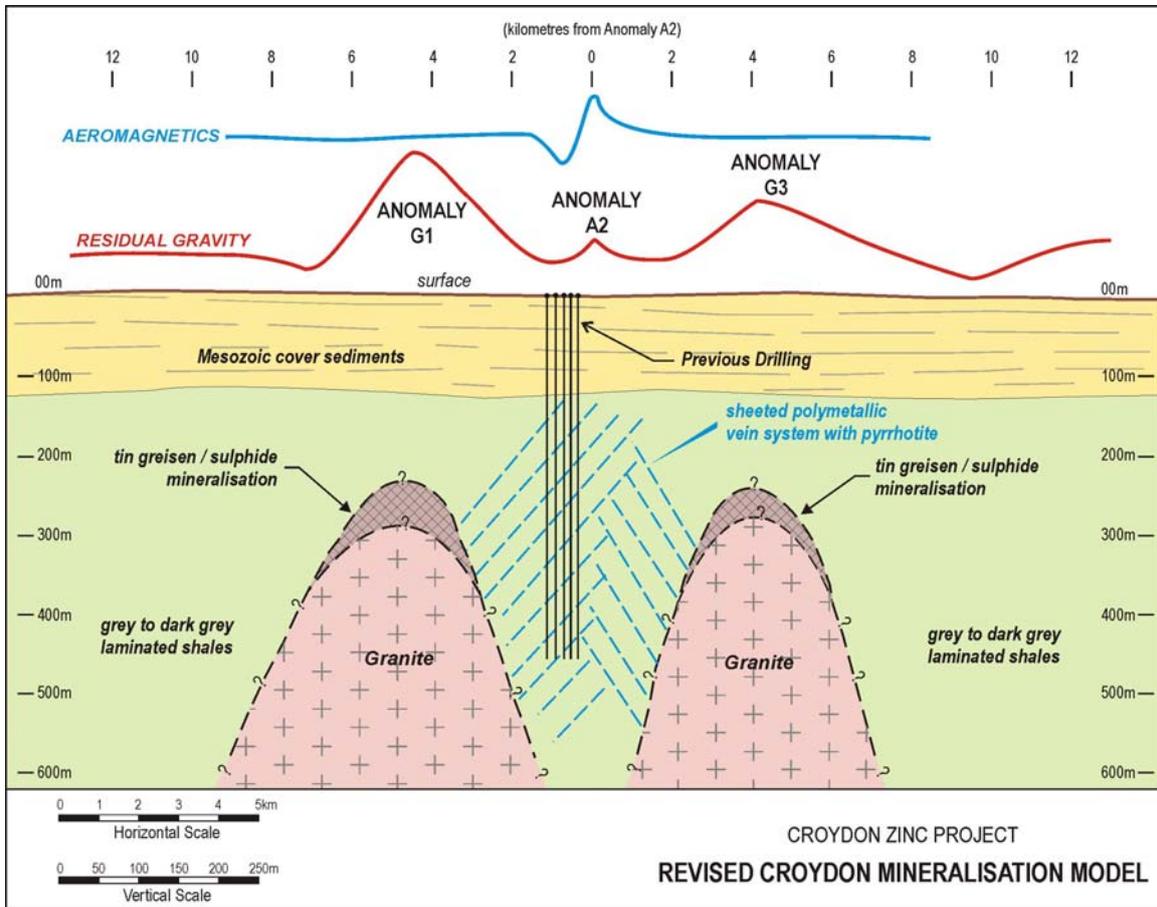
It was particularly pleasing that the Queensland Government acknowledged the potential of the two gravity anomalies which GOA considers are high priority drill targets that are considered to have a significant chance of reflecting the presence of sulphide mineralisation. The drilling is being planned for early 2009.

#### **UPDATED MINERALISATION MODEL**

Detailed investigation of the data generated from exploration at aeromagnetic Anomalies A1 and A2 within the Croydon Zinc Project area, undertaken in conjunction with the CODES Centre of Excellence, University of Tasmania, has established the following;

- The mineralogy is typical of that displayed in granite-associated, economic, tin mineralised systems.
- These systems are characterised by tin/sulphide mineralisation developed within and immediately adjacent to a granite source and the development of separate zones of base metal (+/- gold) mineralisation developed distal to the granite source. Vein systems distal to the granite source commonly contain magnetic pyrite (pyrrhotite - as at Anomalies A1 and A2).
- Economic tin systems of this type have been mined at the world class Renison Tin Mine in Tasmania (previously the largest underground tin mine on the world) and at several locations in Bolivia. Base metal resources (particularly zinc) in the Zeehan area of Tasmania are believed to be related to this granite related mineralisation style.
- Anomalies A1 and A2 are associated with low order residual gravity anomalism which is interpreted to be reflecting the presence of the higher density polymetallic veining.
- While previously it had been interpreted that the granite source was at depth below the deepest drill intersection, an alternative interpretation is that the granite source is located laterally to the area drilled. In particular, the high priority residual gravity anomalies (G1 and G3) that lie adjacent to the area drilled may specifically represent high density tin/sulphide mineralised uppermost lobes of the granite source (but not the main granite body which would have an overall negative gravity response) and this forms the basis for the updated mineralisation model (see updated model next page).

- Specifically these gravity anomalies are located some 5.0 km to the north-west of Anomaly A2 (G1) and some 4.0 km to the east-south-east of Anomaly A2 (G3).
- Under either interpretation, the gravity anomalies are considered to offer the optimum targets for drill testing.



## FERGUSON ISLAND GOLD PROJECT, GAMETA – PAPUA NEW GUINEA (GOA 67%)



Location of the Wapulu & Gameta tenements, Fergusson Island, PNG

### **BACTECH-GOA JOINT VENTURE AGREEMENT**

As previously advised, GOA has entered into a Joint Venture Agreement with BacTech (Barbados) Limited (BBL) a wholly owned subsidiary of BacTech Mining Corporation (BacTech) of Canada over its Fergusson Island Gold Project in Papua New Guinea. BacTech is a world leader in bioleaching, a commercially proven technology and environmentally safe way to treat refractory gold ores like those at Gameta and Wapolu.

The Agreement provides a beneficial transaction for GOA as it will significantly improve its cash position while at the same time enhancing its investment in the project with a partner committed to funding and developing the Project.

The transaction secures for BacTech its first acquisition in its refractory gold acquisition program whereby it intends to employ its technology. Yamana's new 19.97% stake in BacTech underlines BacTech's potential to add value to the Project.

### **UPDATE ON BACTECH PROGRESS, FERGUSSON ISLAND GOLD PROJECT**

The BacTech commissioned independent technical review of the Fergusson Island Project required for TSXV approval of its 50% acquisition of the Project has now been submitted to the TSXV for comment.

As part of the procedure required to acquire its initial 33% in the Project, BBL is proceeding with obtaining the required approvals from the Papua New Guinean Government. When completed, BacTech can then move to a 40% interest by paying GOA C\$1.0 million and to 50% by sole funding a C\$1.5 million exploration program.

It is anticipated that in order to procure the approval of the TSXV for the completion of the acquisition, BacTech will require shareholder approval which it will obtain by disclosing certain required information in a filing statement that will be prepared and filed in accordance with the rules of the TSXV.

## **SAO CHICO GOLD AND BASE METAL PROJECT – NORTHERN BRAZIL (GOA 60%)**

During the quarter, work continued on the Authority to Prospect (AP) covering the Sao Chico high grade gold and base metal property in Para State of northern Brazil. A decision on the mineral right priorities is still awaited for the remaining 156 PLGs that are subject to the Option Agreement.

The Sao Chico property is a high grade occurrence which offers the possibility of early gold and base metal production.



## SAZHEN GOLD PROJECT – SOUTH EAST KAZAKHSTAN (GOA 80%)

As announced in the June 2008 Quarter, GOA has decided to further focus its available funds on Croydon by scaling back exploration expenditure on the Kazakhstan Project (and its extrapolated extension into China). Negotiations are continuing with companies that have expressed an interest in farming-into the project.

## WESTERN AUSTRALIAN PROJECTS (GOA 80%)

No field work was undertaken on the Western Australian Projects during the quarter.



**LOCATION OF THE NICKS BORE, DOOLGUNNA AND QUONDONG WELL PROJECTS, WESTERN AUSTRALIA**

## CAPITAL RAISING

During the quarter the Company issued:

1. 5,025,000 ordinary shares at \$0.04 each (total raised: \$201,000) under private placements.
2. 1,300,000 ordinary shares in lieu of cash as consideration for the purchase of accommodation units at Croydon.
3. 5,500,011 ordinary shares at \$0.03 (total raised: \$165,000) under the Company Share Purchase Plan.

## SHAREHOLDER MEETING

A meeting of the Company's shareholders was held on 25 September 2008 for the purpose of seeking various approvals from shareholders. All resolutions proposed were passed.

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## CORPORATE DIRECTORY

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**Board of Directors**

Ken Chapple	Managing Director
James Collins-Taylor	Director
Greg Starr	Chairman

**Company Secretary**

John Lemon

*The information contained in this report relating to exploration results is based on information compiled by Mr Ken Chapple, Managing 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.*

**Issued Share Capital**

Gold Aura Limited has 151.55 million ordinary shares currently on issue.

In addition, the following options are on issue:

- 41.55 million listed options expiring 31 March 2009; exercisable at A\$0.13 (13 cents) per share;
- 2.86 million unlisted options expiring 1 April 2009; exercisable at A\$0.20 (20 cents) per share.
- 4.15 million unlisted options expiring 2 April 2009; exercisable at \$0.13 (13 cents) per share(ESOP)
- 4.40 million unlisted options expiring 2 April 2009; exercisable at \$0.20 (20 cents) per share (ESOP)

**Quarterly Share Price Activity**

	High	Low	Last
Sep 2006	8.6	6.2	6.4
Dec 2006	10.5	6.4	9.6
Mar 2007	19.0	7.8	9.0
Jun 2007	13.5	8.5	10.5
Sep 2007	11.0	7.1	8.0
Dec 2007	9.8	5.4	6.7
Mar 2008	6.7	3.5	3.5
June 2008	4.4	2.8	3.1
Sep 2008	3.6	1.3	2.3

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Please direct shareholding enquiries to the share registry.