



Gold Aura Limited

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Company Announcements Office
Australian Stock Exchange Limited
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Dear Sir

Gold Aura Limited (GOA) announces that metallurgical test work completed on representative drill chip samples from the Fergusson Island Gold Project has produced very encouraging results.

The test work indicates that by processing the ore in a standard flotation circuit, in excess of 84% of the gold present in the sample tested regularly reports to a sulphide concentrate, with only moderate to coarse grinding (150 micron) being required to achieve this result.

GOA is confident that with further work to fine-tune the flow sheet during the feasibility study phase, this recovery can be increased to in excess of 90%.

The other good news is that the tests indicate that the energy required to grind the ore to 150 microns is moderate. This assessment is due to a combination of:

- (a) The diamond core showing that the gold bearing zones contain a significant amount of clay like materials that will need little grinding.
- (b) The test work determining that the "bond ball mill work index" required to grind the coarser ore was only 13.6 kwh/tonne.

The metallurgy test work was undertaken as part of a pre feasibility study into the viability of mining the gold deposits held by GOA on Fergusson Island.

GOA is now finalising the pre feasibility report and the associated study on the economics of developing a 50,000 ounce per annum gold mining operation.

The study is based on the current gold resource, which totals
15 million tonnes at 1.8 g/t Au (880,000 ounces)

As the total size of the deposits has not been fully defined, it is possible that this resource can be increased, by further drilling.

GOA expects that this project will move to a full feasibility study stage within the next few months.

Yours faithfully
GOLD AURA LIMITED

Rob Murdoch
Chairman