



Gold Aura Limited

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Company Announcements Office
Australian Stock Exchange Limited
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Dear Sir

JUNE 2004 QUARTERLY REPORT.

During the quarter Gold Aura Limited (GOA) commenced pre feasibility studies into two of its projects, continued exploration and evaluated new opportunities.

The highlights were as follows:

1. FERGUSSON ISLAND GOLD PROJECT (62% GOA)

During the quarter GOA announced a pre-feasibility study (PFS) into the commercial development of the Wapolu and Gameta gold deposits, which are both located on Fergusson Island to the north of the south east tip of Papua New Guinea.

Previous drilling has established that the total combined gold bearing material available is:

- 15.3 million tonnes at a grade of 1.8 g/t Au (880,000 ounces) at a cut off grade of 1 g/t Au.

Further, GOA feels that, with additional drilling, there is considerable potential to substantially increase the size of both the deposits prior to the start of development.

Both the gold deposits have a similar geology and appear amenable to open cut mining. The PFS will determine the maximum commercially viable strip ratio.

At this stage, it is envisaged that the project would involve the mining of between 600,000 – 1 million tonnes of ore per annum. The grade of the material mined is expected to average between 1.6 – 2 g/t Au. The life of mine may be in excess of 10 years with annual gold production of between 30,000 – 50,000 ounces per annum.

The metallurgical test work program has commenced to examine the optimum method of recovering the gold. The gold recovery methods being tested include flotation and gravity methods to produce a concentrate. The concentrate may well be refined elsewhere.

The PFS is expected to be completed by the end of September 2004. If the pre-feasibility study confirms that assessment, then GOA will move to a full feasibility study.

The preliminary assessment suggests that up to 90% of the gold may be recovered by way of a sulphide concentrate and that a commercial operation will be viable.

2. CROYDON PROJECTS

a) Gold Tenements (North Queensland 100% GOA)

GOA holds a large part of the Croydon Goldfield, in North Queensland under exploration tenure. This field was historically one of Australia's largest gold systems, with over 300 separate small gold bearing quartz reef occurring within an area of 250 sq kms. The gold deposits tend to occur in groups and are structurally controlled with locally higher grades and larger gold shoots occurring in areas where cross cutting structures intersect the main reef.

GOA has estimated that about 200,000 oz of gold occurs within five separate deposits at Croydon, with the main deposit being the Gilded Rose with a potential for 70,000 ozs.

GOA objective is to try to locate additional gold bearing material, in particular larger deposits that may be converted to mineable resources.

Consultant Company Ausmec has recently undertaken an initial field evaluation of exploration targets that they identified earlier this year. The targets were selected on the basis of coincident structures, geophysics and anomalous gold geochemistry. A report on the results of the work completed is expected soon.

A Land Access Agreement has been signed with the Native Title Claimants for the Wallabadah EPM's 13775 and 13817 located to the north of the Croydon Goldfields. Buried gold targets have been located in these tenements. The targets include prospective aeromagnetic highs, magnetic lineations and a gravity high, that may offer the larger gold bearing structures of the type being sought by GOA.

b) Graphite Deposit

GOA has also commenced a pre-feasibility into the potential development of a major deposit of graphite that occurs within its gold tenements at Croydon. Barrack Mining Limited originally drilled the deposit in the 1980's.

GOA has collected samples for metallurgical testing and market analysis. Graphite is used in the automotive, sporting goods, refractories, electrical, aerospace and fire retardant industries. The price of graphite varies from \$US 500 per tonne for concentrate to \$US 2500 per tonne for high quality flake graphite.

The size of the deposit was estimated by Barrack at the time and this figure was announced by GOA on 27th July 2004. Whilst the size of the deposit announced is expected to be approximately correct, the exploration methods and procedures used in the evaluation were different then than those used today. Therefore, GOA in the announcement correctly advised its shareholders that the resource quoted was not JORC compliant. The Australian Stock Exchange has requested, and GOA is happy to oblige, that GOA retract from the announcement making any reference to the deposit being a resource. However, turning the deposit into a JORC compliant resource may be very expensive because of its very large size.

Further more graphite is an industrial mineral where marketing is more the key to commercial success than size of deposit. Hence turning the deposit into a JORC compliant resource may not be a priority with GOA.

3. POTENTIAL NEW GOLD PROJECTS

GOA has lodged gold exploration application in two sections of the Black Shale Belt of Central Asia and has evaluated gold projects in China and Scandinavia and negotiations are underway with respect to some of the properties.

4. BOARD CHANGES

During the quarter Dr Noel White joined the board as a non-executive director. Dr White is a former chief geologist of BHP Exploration and has extensive international experience, particularly in gold exploration and research. Noel's input is expected to have a very positive impact on GOA.

Yours faithfully

GOLD AURA LIMITED



Rob Murdoch
Executive Chairman