

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, ~~application for quotation of additional securities and agreement~~

*Information or documents not available now must be given to ASX as soon as available.
Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002.

Name of entity

AURORA MINERALS LIMITED

ABN

46 106 304 787

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | OPTIONS – 35 cents - 7 December 2008 |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 650,000 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Issue Price Free
Exercise Price 35 cents each
Exercisable by 7 December 2008
Not exercisable before 8 June 2006
Full terms are attached in Annexure to this Appendix 3B |

+ See chapter 19 for defined terms.

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<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>These options do not rank for voting and dividends, are not listed and are not transferable.</p> <p>Each option on exercise becomes a fully paid ordinary share which will be listed and will rank equally with other fully paid ordinary listed shares</p>						
<p>5 Issue price or consideration</p>	<p>Issued free</p>						
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Placement of 650,000 options to 1 consultant to the Company, not related to the Company, as an incentive component of his remuneration pursuant to a Prospectus dated 19 January 2006.</p>						
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>1 February 2006</p>						
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="750 1545 1053 1579">Number</th> <th data-bbox="1053 1545 1345 1579">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="750 1579 1053 1624">25,722,000</td> <td data-bbox="1053 1579 1345 1624">Ordinary Shares</td> </tr> <tr> <td data-bbox="750 1624 1053 1807">9,987,500</td> <td data-bbox="1053 1624 1345 1807">Options– exercisable at 20 cents each by 31 July 2006</td> </tr> </tbody> </table>	Number	+Class	25,722,000	Ordinary Shares	9,987,500	Options– exercisable at 20 cents each by 31 July 2006
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25,722,000	Ordinary Shares						
9,987,500	Options– exercisable at 20 cents each by 31 July 2006						

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	Number	+Class	
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	11,192,500	Ord shares – escrowed
		550,000	Options – exercisable at 30 cents each by 31 December 2006
		3,000,000	Options – exercisable at 33.55 cents each by 7 December 2008
		650,000	Options – exercisable at 35 cents each by 7 December 2008

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	No dividend policy is currently in place since the company is involved only in exploration
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Part 2 - Bonus issue or pro rata issue N/A

- | | | |
|----|--|--|
| 11 | Is security holder approval required? | |
| 12 | Is the issue renounceable or non-renounceable? | |
| 13 | Ratio in which the +securities will be offered | |
| 14 | +Class of +securities to which the offer relates | |
| 15 | +Record date to determine entitlements | |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | |
| 17 | Policy for deciding entitlements in relation to fractions | |

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- | | | |
|----|--|--|
| 18 | Names of countries in which the entity has +security holders who will not be sent new issue documents

Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7. | |
| 19 | Closing date for receipt of acceptances or renunciations | |
| 20 | Names of any underwriters | |
| 21 | Amount of any underwriting fee or commission | |
| 22 | Names of any brokers to the issue | |
| 23 | Fee or commission payable to the broker to the issue | |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders | |
| 25 | If the issue is contingent on +security holders' approval, the date of the meeting | |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled | |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | |
| 28 | Date rights trading will begin (if applicable) | |
| 29 | Date rights trading will end (if applicable) | |

+ See chapter 19 for defined terms.

- 30 How do +security holders sell their entitlements *in full* through a broker?
- 31 How do +security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do +security holders dispose of their entitlements (except by sale through a broker)?
- 33 +Despatch date

Part 3 - Quotation of securities **Not applicable**

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) Securities described in Part 1
- (b) All other securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

(If the additional securities do not form a new class, go to 43)

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

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- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional +securities

(now go to 43)

Entities that have ticked box 34(b)

- 38 Number of securities for which +quotation is sought
- 39 Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?
- If the additional securities do not rank equally, please state:
- the date from which they do
 - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
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41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

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42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)

Number	+Class

(now go to 43)

All entities

Fees

43 Payment method (tick one)

Payment on invoice

Electronic payment made

Note: Payment may be made electronically if Appendix 3B is given to ASX electronically at the same time.

Periodic payment as agreed with the home branch has been arranged

Note: Arrangements can be made for employee incentive schemes that involve frequent issues of securities.

Quotation agreement

Not applicable

~~1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.~~

~~2 We warrant the following to ASX.~~

- ~~• The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.~~
- ~~• There is no reason why those +securities should not be granted +quotation.~~

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- ~~• An offer of the + securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.~~

~~Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty~~

- ~~• Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any + securities to be quoted and that no one has any right to return any + securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the + securities be quoted.~~
 - ~~• We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the + securities to be quoted, it has been provided at the time that we request that the + securities be quoted.~~
 - ~~• If we are a trust, we warrant that no person has the right to return the + securities to be quoted under section 1019B of the Corporations Act at the time that we request that the + securities be quoted.~~
- ~~3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.~~
- ~~4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before + quotation of the + securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.~~

Sign here: **Peter Rutledge**
(Director/Company secretary)

Date: **3 February 2006**

Print name: **PETER C RUTLEDGE**

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Terms applicable to Consultant Options expiring 7 December 2008

(a) Issue price

Each Consultant Option is issued for nil consideration.

(b) Exercise price

Each Consultant Option shall entitle the optionholder to acquire one fully paid ordinary share in the capital of the Company upon payment of an exercise price of \$0.35 (“the Exercise Price”).

(c) Vesting date

The Consultant Options will vest on 8 June 2006 ("Vesting Date") and cannot be exercised prior to the Vesting Date.

(d) Expiry date

The Consultant Options shall expire at 5:00 pm Western Australian time on 7 December 2008 ("Expiry Date").

(e) Certificate

A certificate will be issued for the Consultant Options and sent to the optionholder together with the terms and conditions of the Consultant Options and a written notice that is to be completed when exercising Consultant Options.

(f) Consultant Options not listed

The Consultant Options will not be listed for official quotation on the ASX.

(g) Consultant Options not transferable

Subject to the Listing Rules of the ASX, the Consultant Options are not transferable without the approval of the Directors.

(h) Exercise

The Consultant Options may be exercised by notice in writing to the Company (“the Exercise Notice”), delivery of the Consultant Option certificates and payment of the Exercise Price to the Company at any time between the Vesting Date and the Expiry Date (“the Exercise Period”).

Within 10 days of receipt of the “Exercise Notice” and Consultant Option certificates and payment of the “Exercise Price”, the Company will allot the corresponding number of fully paid ordinary shares to the optionholder, procure the issue a statement of holding for the shares and apply for the shares to be listed on the stock exchanges on which the Company is listed. The shares issued as a result of exercise of the Consultant Options shall rank equally in all respects with the other issued fully paid shares in the Company.

(i) New share issue

If the Consultant Options are exercised before the record date of an entitlement, the optionholder can participate in a pro rata issue to the holders of the underlying securities in the Company. The Company must notify the optionholder of the proposed issue at least 9 business days before the record date. Optionholders do not have a right to participate in new share issues without exercising their Consultant Options in accordance with Listing Rule 6.19.

(j) Reorganisations

In the event of any reorganization of the issued capital of the Company, the Consultant Options will be reorganized in accordance with the Listing Rules.

(k) Change of Consultant Option's exercise price or the number of underlying securities

(i) In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities in the Company, the exercise price of the Consultant Options may be reduced according to the following formula:

$$O' = \frac{O - E[P - (S + D)]}{N + 1}$$

O' = the new exercise price of the Consultant Option;

O = the old exercise price of the Consultant Option;

E = the number of underlying securities in the Company into which one option is exercisable;

P = the average market price per security (weighted by reference to volume) of the underlying securities in the Company during the five (5) trading days ending on the day before the ex rights date or ex entitlements date;

S = the Subscription price for a security under the pro rata issue;

D = the Dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue);

N = the Number of securities with rights or entitlements that must be held to receive a right to one new security in the Company.

(ii) The number of shares to be issued pursuant to the exercise of Consultant Options will be adjusted for bonus issues made prior to exercise of Consultant Options. The effect will be that upon exercise of the Consultant Options the number of shares received by the optionholder will include the number of bonus shares that would have been issued if the Consultant Options had been exercised prior to the record date for bonus issues. The exercise price of the Consultant Options shall not change as result of any such bonus issue.

(l) Dividends

The Consultant Options carry no entitlement to participate in dividends until shares are allotted pursuant to the exercise of the Consultant Options.

(m) Cessation of engagement of Consultant or death of the optionholder.

(i) In the event of the Consultant ceasing to be engaged by the Company, or any of its subsidiaries, any Consultant Options held by the optionholder must (subject to clause (m)(iii) hereof) be exercised within 1 month of such services ceasing to be engaged by the Company.

(ii) In the event of the death of the optionholder whilst he/she or his company is engaged by the Company or any of its subsidiaries, then any Consultant Options held in the name of the optionholder must (subject to the clause (m)(iii) hereof) be exercised within 3 months of such death by the deceased optionholder's legal personal representative.

(iii) In the event of non exercise of the Consultant Options in the circumstances referred to in clauses (m)(i) and (m)(ii) above within the specified periods, the Consultant Options shall forthwith lapse and have no further effect unless otherwise determined by the board of the Company.