



19 December 2006

The Manager  
Announcements  
Company Announcements Office  
Australian Stock Exchange Limited  
PO Box H224 Australia Square  
SYDNEY NSW 2000

## **Announcement**

### **New Joint Venture adjoining Macraes Gold Mine**

#### **New Zealand**

Aurora Minerals Limited is pleased to announce that it has entered a Heads of Agreement with Canadian-New Zealand company Glass Earth Limited (TSX V and NZAX code: GEL) to enter a joint venture agreement to carry out a major new initiative on Aurora Minerals 100% owned Macraes West Project which is just west of the 2 million ounce Macraes Gold Mine in the Otago District of the South Island, New Zealand.

The Company's licence area comprises 1173 km<sup>2</sup> and covers the possible westward extension of the Hyde – Macraes shear which hosts the Macraes mine mineralisation.

#### **The proposed terms of the joint venture are:**

1. GENZL has significant permit holdings in the Otago Region contiguous to Macraes West and proposes to:
  - a. Fund an airborne geophysical survey over Macraes West;
  - b. Process the raw data;
  - c. Interpret the data and identify targets; and
  - d. Plan and recommend a follow-up exploration campaign.

2. GENZL may earn a 70% equity in the project by spending NZ \$750,000 and be the manager of the joint venture.
3. After Glass Earth has spent \$750,000, Aurora may then elect to fund its 30% percentage interest share of joint venture expenditure, or dilute.
4. If Aurora dilutes to a 20% percentage interest in the joint venture, then Aurora will be free carried at 20% until commencement of a bankable feasibility study.
5. Prior to a decision being made on commencing a bankable feasibility study, Aurora may elect to claw back to a percentage interest in the joint venture of a total of 30% by reimbursing GENZL an amount equal to twice what it would have spent as if it had been contributing pro-rata for its 30%.
6. Subsequent expenditures would be shared in accordance with the party's respective percentage interests in the joint venture, unless either party wished to not incur additional costs, in which case dilution of their existing equity would take place under an agreed formula.
7. This detailed joint venture agreement will be conditional on the consent of the Minister, pursuant to section 41 of the Crown Minerals Act, Crown Minerals work programme approvals and negotiation of final terms.

Yours faithfully

**Garry O'Hara**  
**Executive Director**

**Rob Taylor**  
**Managing Director**

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr Robert S Taylor, a Member of The Institute of Materials Minerals and Mining, Mr Nick Hazard a corporate member of the Australasian Institute of Mining and Metallurgy and Mr Garry P O'Hara, a corporate member of the Australasian Institute of Mining and Metallurgy.

Robert Taylor and Garry O'Hara have sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Robert Taylor and Garry O'Hara consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.

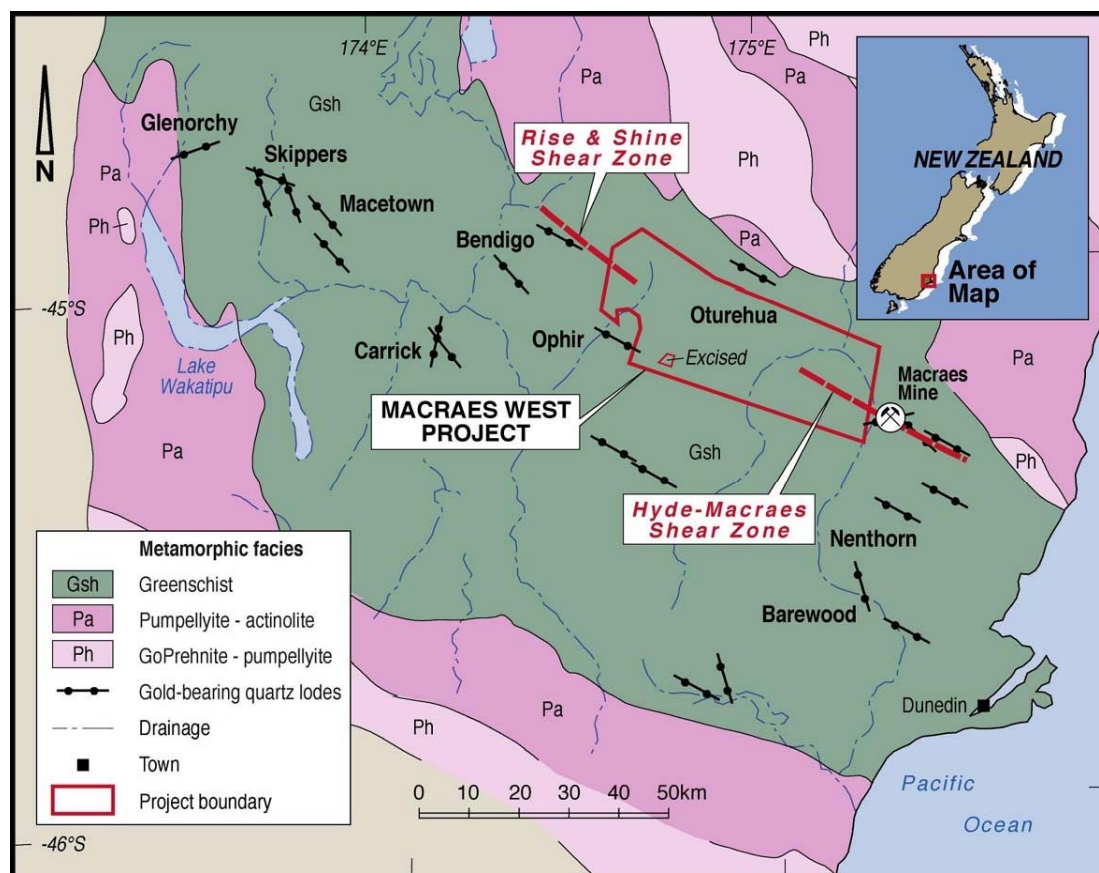
## **CONTACTS**

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This figure has been prepared by Aurora Minerals Ltd for inclusion in this Prospectus

Figure 7

### **Mesothermal Gold Deposits in the Greenschist Facies Rocks of the Otago Schist**