



12 April 2005

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

**Quarterly Activities Report
For the 3 months ended 31 March 2005**

HIGHLIGHTS

New Zealand

- **New gold-in-soil anomaly discovered at Toolshed prospect, southwest of Backyard prospect**
- **Rock-chip sampling identifies more gold mineralisation northeast of Backyard prospect and mapping extends the prospective zone**
- **Prospecting identifies another significant epithermal system at Te Mata prospect to the south**
- **Project-wide aeromagnetic survey planned for Hazelbrook Project**

Australia

- **Drilling planned for Ryansville (RC drilling) and Weebacarry Projects (RAB drilling) in Western Australia.**

Aurora Minerals Limited
PO Box 1921, West Perth, WA 6872, Australia, Tel +61 8 9322 6891

MARCH QUARTER 2005 OPERATIONS

1 Hazelbrook Project, Northland Volcanic Zone, North Island, New Zealand.

1.1 INTRODUCTION

Aurora Minerals (ASX codes ARM and ARMO, NZX codes ARM & ARMOA) has conducted more exploration at its Hazelbrook Project (PP39-270) on the North Island of New Zealand and is pleased to announce further encouraging results. These include the discovery of a new gold-in-soil anomaly from soil sampling at the **Toolshed prospect** and extensions to the newly discovered **Backyard** prospect (grades up to 6.9 g/t gold) in the northern part of the Hazelbrook Project. Fig 1.

Hazelbrook is a large 1013 km² project, 100% owned by the Company, where it is exploring for a large Martha-type epithermal quartz vein gold deposit. The Martha mine lies to the south of and in a similar geological setting to Hazelbrook, and has produced approximately 7.5 million ounces of gold to date (at an average grade of approximately 7.4 g/t gold) and 26 million ounces of silver.

1.2 LATEST EXPLORATION

1.2.1 **Toolshed Prospect**

The **Toolshed prospect** lies approximately 2.1kms southwest of Aurora's recently discovered **Backyard prospect** where gold-bearing quartz veins have yielded assays up to **6.9g/t gold**. Both **Toolshed** and **Backyard** occur within the Huia Volcanic Centre, a roughly circular andesitic volcanic centre covering some 14km² of hills and elevated plateau. Fig 2.

The Company's exploration program has identified a coincident gold-arsenic-antimony soil anomaly at the **Toolshed prospect**. The anomaly has maximum values of 52ppb gold, 614ppm arsenic and 27ppm antimony over a distance of 400 metres in a south-southwest direction, and is 200 metres wide. The **Toolshed** anomaly extends right up to the southern boundary of the area sampled and may continue, extending to the south where the company plans to test shortly.

This concentration of gold and the gold-pathfinder elements arsenic and antimony occurring together in the soil is encouraging and Aurora believes that this anomaly may potentially represent the upper parts of an epithermal quartz vein system at depth.

The **Toolshed** soil anomaly is more evidence for the potential for a significant epithermal mineral system within the Huia Volcanic Centre.

Soil sampling details:

The orientation soil sampling survey at **Toolshed** covered an area of 1200m north-south by 1200m east-west and was designed to follow-up earlier rock-chip samples of mineralised andesite tuff, containing gold up to 132ppb, arsenic to 1847ppm and antimony to 29ppm. The new anomaly lies in the southern part of the area tested, and is defined by the +10ppm As, +3ppbAu and +3ppm Sb contours. Sample spacing was 100m on north-south trending lines 100m apart with every other line staggered by 50m to give a non-directionally biased grid sample distribution. 133 samples of soil/weathered bedrock were collected from a depth of 10 to 80cm, below a regionally extensive but thin recent volcanic ash cover which may mask the surface geochemical response. The soil anomaly covers the mineralised tuff outcrops and extends upslope to the south and southwest through grass covered hilly pasture.

The next stage of exploration in the Toolshed area will include extending the soil sampling coverage southwards to test for extensions of the anomaly.

1.2.2 Backyard Prospect

At the **Backyard prospect** exploration continued, aimed at increasing the size of the prospective zone at surface. The **Backyard** gold-bearing quartz veins lie on the northwestern edge of an extensive grass covered plateau. The veins are vertical to steep southerly dipping and are believed to extend to the east and northeast, beneath the plateau.

Current size estimates, based on the veins and other features identified so far are:

- 400m of strike for the main outcropping quartz vein up to 1.5m wide where 8 out of 27 samples taken by the Company to date carry gold from 1.1 g/t up to 6.9 g/t, in highly leached surface rock.
- Latest prospecting in early April has identified what is believed to be a further continuation of the main quartz vein, occurring in a steep gully some 200m to the east. This is in addition to subsidiary veins and shear zones previously identified.
- A gold in soil anomaly up to 27ppb extending the prospective zone a further 250m to the east again, up onto the grassy pastures of the plateau.
- Aurora's latest geological mapping has found evidence of quartz veins and silicified and brecciated volcanic sinters up to 1700 metres to the east-northeast of Backyard, suggesting elements of the Backyard system may potentially continue under the pastureland for a considerable distance in this direction.

- Previously all high gold grades came from the main quartz vein, however encouraging results just received include: gold 0.75 grams/tonne, silver 1.2 g/t and arsenic 2214 ppm in altered argillite bedrock 370m to the northeast of the eastern end of the veins. This result comes from the only sample (sample HBR207) taken at this location.

The Company believes the work to date has outlined potential for a gold discovery under the grassy paddocks just south of the northern plateau margin and continuing in an east-northeasterly trend across the paddocks. The next stage of exploration in this area will aim at extending the soil sampling coverage across these paddocks.

1.2.3 Te Mata Prospect

During the past month Aurora's geologists have been prospecting and mapping at the **Te Mata prospect** located 11.7km directly south of **Backyard**.

At **Te Mata** broad zones of arsenic and mercury anomalism were reported by previous explorers. In its initial field investigations Aurora has found extensive areas of strong sulphide alteration of the surface rocks, and has quartz veins at surface with epithermal textures. Although work at Te Mata is at a preliminary stage the prospect appears to have the potential to host a significant hydrothermal system.

At **Backyard** and **Toolshed** to the north, prospecting and rock float and chip sampling comprising some 300 samples has proved to be the most effective method for finding epithermal gold veins and their associated hydrothermal alteration. Soil sampling also appears to be effective in outlining the prospective zones and these methods will shortly be extended onto the **Te Mata** area.

First rock sample results from Te Mata should be available by the end of April and an initial soil sampling programme is expected to be underway shortly.

1.2.4 Aeromagnetic Survey

Plans are progressing for a proposed project-wide aeromagnetic survey to be conducted by a well credentialed Western Australian geophysical company using a fixed wing aircraft. At this stage the aeromagnetic survey is scheduled for mid 2005 with notifications, insurance and other logistical requirements being currently planned.

The survey would result in further information allowing the Company's geologists to interpret trends of prospective rock types and structures. In addition it would be aimed at helping identify extensions to the known gold mineralisation at **Backyard** and **Toolshed** and recognizing similar characteristics in the **Te Mata prospect** and the unexplored area between **Te Mata** and **Backyard/Toolshed** (refer map).

Aurora's Hazelbrook project has received a reasonable amount of press coverage, and interest has been sparked in the project. In addition, the Company has received an expression of interest for a joint venture which it would consider, depending on appropriate commercial terms.

To date there has been excellent cooperation from local landholders for the Company to conduct surface prospecting. Future drilling or mining by the Company is subject to the provisions of the Resource Management Act (RMA), and the Crown Minerals Act which includes requiring the Company to enter access agreements with relevant stakeholders. More information regarding this is contained on the Company's website at <http://www.auroraminerals.com/default.aspx?l=2&p=39>. The Company has commenced negotiations with landowners and Maori groups which it expects will proceed over the coming months, and all going well hopes to have RMA consents for drilling in some key areas towards the end of the year.

Meanwhile surface exploration is ongoing at Hazelbrook and further results should be available for release over the coming months.

2 Weebacarry Project, Western Australia

An extensive RAB drilling campaign has been planned over a series of gold targets at Weebacarry following the recent grant of two contiguous exploration licences by the Western Australian Department of Industry and Resources. One exploration licence E51/1021 is in joint venture with Hampton Hill Mining whilst the other E 51/ 1065 abuts it on the western side, covering a series of interpreted shear or fault zones in greenstone and gneissic rocks.(Refer www.auroraminerals.com for map)

Drill results with grades up to 8 metres at 6.1 g/t gold were reported from the Miss Jane prospect by a major company which previously explored the area .Aurora's targets include following up these drill results and drilling previously untested targets which it has recently identified in the area.

Multiclient airborne magnetics were recently acquired by the Company over the Weebacarry Project and this has aided in selecting targets.

The first soil sampling programme was conducted in March for surface gold anomalies in the western area where no previous work is recorded. Results should be available by the end of April. Following this further soil sampling may be conducted.

A Heritage clearance survey is required to be completed prior to drilling, and is planned for the end of May, to be followed soon after by RAB drilling.

3 Ryansville Project, Western Australia

A two hole deep reverse circulation drilling program is planned for the Ulysses East prospect, which is anticipated to commence in May or June. The Company is currently awaiting the availability of a suitable drilling contractor. Holes are expected to average about 230m depth to test for a faulted, banded iron formation Mt Magnet style gold deposit. (Refer www.auroraminerals.com for map)

4 Macraes West Project, South Island, New Zealand

At the Company's Macraes West project soil sample results from the eastern part of the property have outlined a coincident gold and arsenic anomaly.

This anomaly is approximately 1800 metres in length in a north-westerly direction, is up to 400 metres wide and has values up to 20 ppb gold and 62 ppm arsenic. Background results for soil samples in this area are typically 2 ppb gold and 10 ppm arsenic.

Further soil sampling of prospective areas is planned for the future. A recent overlapping tenement application for coal has been lodged by a coal exploration company.

5 Rockville Project, South Island, New Zealand

The Company's New Zealand consultant Kenex Knowledge Systems has identified further areas of interest in this project. Department of Conservation approval is required for access to some of these areas.

An initial field inspection is awaiting personnel availability given the Company's focus at Hazelbrook.

6 Lanigans Project, North Island , New Zealand

Exploration is contingent on Department of Conservation approval. Discussions between Kenex and DOC are continuing.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Aurora Minerals Limited

ABN

46 106 304 787

Quarter ended ("current quarter")

31 March 2005

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration and evaluation	(159)	(528)
(b) development		
(c) production		
(d) administration	(49)	(316)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	31	136
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)		
Receipt - GST Rec'd		48
Payment - Security Deposit		(85)
Net Operating Cash Flows	(177)	(745)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects		
(b)equity investments	2	
(c) other fixed assets		(6)
1.9 Proceeds from sale of: (a)prospects		
(b)equity investments		
(c)other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	2	(6)
1.13 Total operating and investing cash flows (carried forward)	(175)	(751)
1.13 Total operating and investing cash flows (brought forward)	(175)	(751)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.		(42)
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)		
Net financing cash flows			(43)
Net increase (decrease) in cash held		(175)	(793)
1.20	Cash at beginning of quarter/year to date	3,261	3,882
1.21	Exchange rate adjustments to item 1.20	(1)	(4)
1.22	Cash at end of quarter	3,085	3,085

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000	
1.23	Aggregate amount of payments to the parties included in item 1.2		54
1.24	Aggregate amount of loans to the parties included in item 1.10		

1.25 Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	260
4.2 Development	
Total	260

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	29	59
5.2 Deposits at call	156	3,203
5.3 Bank overdraft		
5.4 Other (provide details)	2,900	
Total: cash at end of quarter (item 1.22)	3,085	3,262

Changes in interests in mining tenements

Tenement reference	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
	Nil		
	Nil		

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	33,714,500	22,522,000		Fully Paid
7.4 Changes during quarter (a) Increases through issues – release from escrow (b) Decreases through returns of capital, buy-backs		558,500	Release from escrow	Fully Paid
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	9,987,500	9,987,500	<i>Exercise price</i> 20 cents	<i>Expiry date</i> 31 July 2006
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does ~~not~~* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: Peter Rutledge
(Company Secretary)

Date: 11 April 2005

Print name: Peter Rutledge

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 3 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 4 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.