



# Gold Aura Limited

A.B.N. 75 067 519 779

Tel: +61 7-38333833  
Fax: +61 7-38333888

Level 6, 200 Creek Street, Brisbane

PO Box 728  
Spring Hill Qld  
Australia 4004

21 August 2006

Company Announcements Office  
Australian Stock Exchange Limited  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir

**Re: Small Shareholders**

The Company has today written to all of the Company's shareholders having less than a "marketable parcel" (i.e. less than \$500 worth by market value) of shares in the Company as at close of business on 17 August 2006 ("Small Shareholders"). In accordance with the procedure laid down in the Company's constitution the Company has advised each Small Shareholder that unless the Small Shareholder elects to remain a shareholder in the Company the Company will sell the Small Shareholder's shares and account to the Small Shareholder for the proceeds of the sale. The Company will meet all costs associated with the sale of the shares.

The Company is aware that some shareholders with very small parcels of shares in the Company would be willing to sell their shares except for the fact that they cannot easily trade such a small parcel of shares on the ASX, or the cost of brokerage makes it uneconomic for them to do so. The Company values all its shareholders and welcomes their continued participation as shareholders, however for those shareholders who wish to sell their shares the procedure adopted offers them a convenient and cost effective way to do so, free of brokerage.

Attached are copies of the following documents which have been sent to Small Shareholders:

1. Continuing Member Notice;
2. Continuation Election Form; and
3. text of Article 76 of the Company's constitution.

Yours faithfully  
**GOLD AURA LIMITED**

John Lemon  
Company Secretary



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18 August 2006

## **CONTINUING MEMBER NOTICE PURSUANT TO ARTICLE 76 OF THE COMPANY'S CONSTITUTION**

Dear Shareholder

The Company's records show that as at the close of business on Thursday 17 August 2006 you held less than a "marketable parcel" of shares in the Company, i.e. you held less than \$500 worth of shares in the Company based on the closing price of the Company's shares on the ASX on that date.

The Company is aware that some shareholders in the Company have very small holdings of shares in the Company and would be willing to sell their shares, except for the fact that they cannot easily trade such a small parcel of shares on the ASX, or the cost of brokerage may make it uneconomic for them to do so.

The Company's Directors have decided to utilise the procedure provided for in Article 76 of the Company's constitution. Under Article 76 the Company is entitled to write to each shareholder who holds less than a marketable parcel of shares in the Company and give the shareholder the option to elect to continue to hold his/her shares in the Company. If the shareholder does not elect to continue to hold his/her shares the Company is entitled to sell the shareholder's shares, and account to the shareholder for the proceeds of the sale.

Enclosed with this letter are the following:

1. Continuation Election Form;
2. reply-paid envelope; and
3. text of Article 76 of the Company's constitution.

If you do not sign and return the Continuation Election Form in accordance with the instructions on the form by 5.00 pm (Brisbane time) on Wednesday, 4 October 2006 ('the Closing Date') the Company will be entitled to sell your shares. If your shares are in a CHESS holding the Company may, after the Closing Date, move your shares from the CHESS holding to an Issuer Sponsored or certificated holding for the purpose of the sale.

### **What you need to do.**

#### **A. To sell your holding**

If you wish to dispose of your shares in the Company you do not need to do anything.

If you do not sign and return the enclosed Continuation Election Form by 5.00 pm (Brisbane time) on Wednesday, 4 October 2006 or, alternatively, increase your shareholding to a marketable parcel (\$500) or more by that date, the Company will sell your shares (as well as the shares of other "non-electing" shareholders) on your behalf on the ASX, or in such other manner as it may determine, and account to you for the sale proceeds. The sale proceeds to which you are entitled will be calculated by dividing the total proceeds from the sale of all

shares sold by this procedure by the total number of shares sold under the procedure and multiplying the average sale price by the number of your shares sold.

The proceeds will be paid to you in Australian dollars. The Company will meet all brokerage and other costs associated with the sale of your shares.

#### **B. To retain your holding**

If you wish to retain your shareholding you must complete and return the enclosed Continuation Election Form in accordance with the instructions on the form by 5.00 pm (Brisbane time) on Wednesday, 4 October 2006.

If you do not complete and return the form, or if you do not increase your shareholding to a marketable parcel, by 5.00 pm on Wednesday, 4 October 2006 your shares will be sold.

If you wish to increase your shareholding to a marketable parcel you should contact your broker.

If you have more than one shareholding in the Company it may be appropriate to consolidate them into the one holding. Please contact the Company's share registry, Link Market Services Limited, by telephone on 1300 554 424 for more details.

Neither the Company nor its Directors make any recommendation to you as to whether to elect to have the Company sell your shares on your behalf as provided for in this Notice. The Company values **all** its shareholders and welcomes your continued participation as a shareholder if you wish to maintain your existing shareholding. However, should you wish to sell your shares this offers you a convenient and cost effective way to do so, free of brokerage. If you are in any doubt as to what course of action to take please consult your legal, financial or other adviser.

If you have any questions concerning this letter please contact the Company Secretary, Mr. John Lemon by telephone on (07) 3833 3872.

Yours Faithfully



Rob Murdoch  
Chairman



# Gold Aura Limited

A.B.N. 75 067 519 779

**IMPORTANT NOTICE**  
**PLEASE COMPLETE THIS FORM IF YOU DO NOT**  
**WISH YOUR SHARES IN GOLD AURA LIMITED**  
**TO BE SOLD. IF YOU DO NOT UNDERSTAND**  
**THIS NOTICE YOU SHOULD IMMEDIATELY**  
**CONSULT YOUR FINANCIAL ADVISER**

[Shareholder Name]  
[Shareholder Address]

Number of Shares held on  
Record Date of 17 August 2006: [No of shares]

## CONTINUATION ELECTION FORM

As at 17 August 2006 you were the registered owner of the abovementioned shares in Gold Aura Limited ("the Company"). If you wish to retain your shares you must complete this form where indicated below and return it using the enclosed reply-paid envelope, or to one of the following addresses, **by 5.00 pm (Brisbane time) on Wednesday, 4 October:**

### Postal Address

Gold Aura Limited  
C/- Link Market Services Limited  
GPO Box 2537  
Brisbane Qld 4001

### Hand Delivery

Gold Aura Limited  
C/- Link Market Services Limited  
Level 12, 300 Queen Street  
Brisbane Qld 4000

***(Do not use this address for mailing purposes)***

If you do not complete and return this form as provided above the Company will be entitled to sell your shares and account to you for the proceeds, as set out in the accompanying "Continuing Member Notice".

**I/We the shareholder(s) described above hereby give notice that I/we wish to retain my/our abovementioned shares in the Company.**

### **SIGNATURE OF SECURITYHOLDER – THIS MUST BE COMPLETED FOR YOUR INSTRUCTIONS TO BE EXECUTED**

Securityholder 1 (individual)

Sole Director and Sole Company Secretary

Joint Securityholder 2 (individual)

Director/Company Secretary (delete one)

Joint Securityholder 3 (individual)

Director

This form must be signed by the securityholder. If a joint holding, all securityholders should sign. If signed by the securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the securityholder's constitution and the *Corporations Act 2001* (Cwlth).

Date

/ /

**If you require further information please contact the Company Secretary on +61 7 3833 3872.**

# GOLD AURA LIMITED

## ARTICLE 76 OF CONSTITUTION

### 76. SALE OF LESS THAN MINIMUM HOLDING

76.1 This Article has effect notwithstanding any other provision of this Constitution, either express or implied, to the contrary and shall override the same to the extent of any inconsistency.

76.2 In this Article:

**"Continuation Election"** means an election by a Small Holder contained on or enclosed with a Continuing member Notice notifying the Company that this Article is not to apply to that Small Holder so that that Small Holder may remain as the holder of the securities registered in its name;

**"Continuing member Notice"** means a notice issued pursuant to Article 76.3 below;

**"Election Deadline"** means 5.00pm (Brisbane time) on a date specified in a Continuing member Notice, being a date not less than six (6) weeks after the date of dispatch of that Continuing member Notice;

**"Minimum Holding"** means a holding of securities the maximum of which shall be one marketable parcel of securities, of the same class in the Company at the time of reference as determined by the Board from time to time;

**"Small Holders"** means persons registered, either alone or jointly with any other persons, as the holders of less than a Minimum Holding.

76.3 Subject to the provisions of this Article, the Board may determine no more than once in any twelve (12) month period, to require all (and not merely some) of the Small Holders of any class of securities in the Company to elect whether they wish to remain as the holders of the securities of that class in the Company registered in their name by:

forwarding to each such Small Holder (including all persons registered jointly) a Continuing member Notice containing or enclosing:

details of the securities of that class in the company held by the Small Holder;

statements to the effect that:

the Company intends to invoke the provisions of this Article which allows for the sale of securities of that particular class held by all Small Holders in the Company;

if any such Small Holder does not forward a Continuation Election signed in accordance with the instructions contained therein so as to be received by the Company by the Election Deadline, the Company will be, subject to this Article, entitled to sell the securities of that particular class held by those particular Small Holders in its absolute discretion; and

in the case of a member whose securities are in a CHESS holding shall advise that the Company may, without further notice, after the Election Deadline, move the securities from the CHESS holding to an Issuer Sponsored or certificated holding for the purpose of sale.

Continuation Election;

a reply-paid envelope;

a copy of the text of this Article; and

any other information which the Directors may desire to include; and

lodging, on the same day as the Continuing member Notices are despatched, for publication in a newspaper circulating generally throughout Australia a notice including statements to the effect of those specified in Article 0 hereof.

- 76.4 After the Election Deadline has expired, the Company shall be entitled to sell, subject to this Article, all securities in the Company held by Small Holders of the particular class in respect of which Continuing member Notices were dispatched and for which the Company did not receive a Continuation Election signed in accordance with the instructions contained therein prior to the Election Deadline. Any such sale may be made on such terms and conditions, in such manner, at such prices and to such persons (including the Company itself where authorised by law) as the Board may in its absolute discretion think fit and, for the purposes of such sale, each such Small Holder shall be deemed to have appointed the Company as its agent and the Directors at the relevant time jointly and severally as its attorney in its name and on its behalf to effect a transfer of the securities so sold. Unless the securities are non-SCH-regulated any transfer of securities sold pursuant to this Article may be registered by the Company without the production of the certificates in respect of such securities.
- 76.5 Any transferee of any securities sold pursuant to this Article shall not be bound to see to the regularity of any procedure herein or to the application of the purchase consideration in respect of such sale nor shall any transferee be required to produce the certificates in respect of such securities to enable registration. Once the transferee has been registered as the holder of such securities his title shall not be affected by any irregularity or invalidity in any procedure hereunder and the only remedy of any Small Holder aggrieved by the sale of its securities shall be in damages only and against the Company exclusively and shall be limited to the amount of the sale consideration received (less any unpaid calls instalments or interest (if any) thereon).
- 76.6 The costs and expenses of any sale of securities pursuant to this Article (including legal costs and disbursements, brokerage and stamp duty) shall be borne and paid by the Company.
- 76.7 The sale consideration received for the sale of any securities (less any unpaid calls instalments or interest (if any) accrued thereon) shall be forthwith paid by the Company into a bank account opened and maintained for no other purpose and shall be held by the Company in trust for the Small Holder whose securities have been so sold. The Company shall then forthwith notify such Small Holder in writing that the relevant class of securities held by it have been sold and that the relevant sale consideration is being held by the Company pending the receipt by the Company of written instructions as to how such moneys are to be dealt with and, unless such certificates have been cancelled pursuant to this Constitution, the certificates in respect of such securities or evidence satisfactory to the Board that such certificates have been stolen lost or destroyed and have not been pledged sold or otherwise disposed of prior to their sale under this Article. The sale consideration for any securities sold pursuant to this Article shall be dealt with in accordance with Section 544 of the Law or the *Public Trustee Act 1978* (Qld) as the case may be.
- 76.8 Except where the securities are non-SCH-regulated securities the Company shall cancel all certificates relating to securities sold pursuant to this Article.
- 76.9 Notwithstanding any provision of this Article, either express or implied, to the contrary:
- (a) the Board shall not be bound to exercise the powers conferred by this Article and shall be entitled, at any time prior to a sale of securities being effected, to suspend or terminate its use by written notice to the Small Holders affected;

- (b) the accidental omission by the Company to give any notice required under this Article or the non-receipt of any such notice by any Small Holder shall not invalidate any action undertaken in good faith pursuant to this Article;
- (c) the Board may in its absolute discretion settle any ambiguity difficulty anomaly or dispute which may arise in relation to the operation of this Article;
- (d) no sale of any securities pursuant to this Article shall be commenced if prior to such sale a takeover bid (within the meaning of Section 9 of the Law) to acquire securities of the same class as the securities which are to be sold pursuant to this Article has either been announced as being intended to be made or has been made and is still open for acceptance; and
- (e) where a Continuing member Notice has been dispatched to any person who at a particular time was a Small Holder but, prior to the Election Deadline in relation thereto, that person acquires such number of securities in the Company of the same class in respect of which the Continuing member Notice was dispatched so that the total number of securities of that class to which the Small Holder is registered or is entitled to be registered becomes greater than or equal to a Minimum Holding of securities of that class and a transfer for such securities acquired has been lodged for registration with the Company, then this Article shall not apply to that in respect of that Continuing member Notice notwithstanding that that person may not have forwarded a continuation Election to the Company prior to the relevant Election Deadline in relation thereto.

76.10 This Article shall be subject to the potential operation of the Listing Rules or the SCH Business Rules (as the case may be) to the securities intended to be sold hereunder.