

13 October 2010

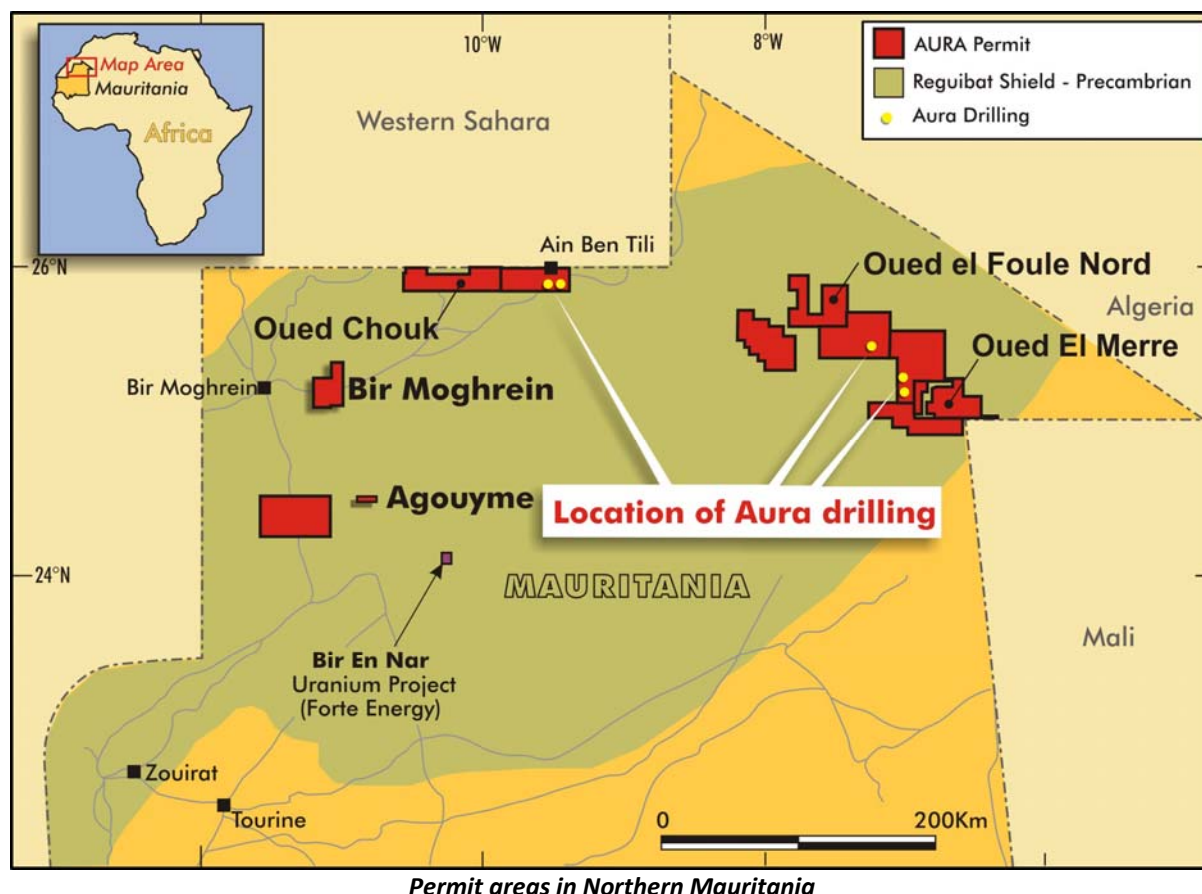
Substantial additions to Aura's target areas in Mauritania identified

- **Major ground radiometric survey identifies new uranium target areas in northern Mauritania**
- **Potential to add to the previously reported exploration target of 40-60 million pounds**
- **Drill testing of these targets planned to commence in November 2010**

Aura Energy (AEE) is a uranium explorer with advanced projects in Sweden, West Africa and Australia. The company is focusing on two main projects: the Storsjön Project located in Sweden's Alum Shale Province, one of the largest depositories of uranium in the world; and the highly prospective Reguibat Province in Mauritania. The company aims to create shareholder value by rapidly establishing resources and then completing feasibility studies on these two projects. Aura Energy is headquartered in Melbourne, Australia and has been listed on the ASX since May 2006.

Aura Energy Limited (ASX Code AEE) completed its first drilling programme earlier in 2010 for uranium mineralisation on its permits on the Reguibat Craton in northern Mauritania.

The first stage of drilling was a significant step towards verifying the exploration target of 40-60 million pounds of U_3O_8 , at an average grade of 300-450ppm. This target is conceptual in nature (the potential quantity and grade of this target is conceptual in nature, that there has been insufficient exploration to define a Mineral Resource and that it is uncertain if further exploration will result in the determination of a Mineral Resource).

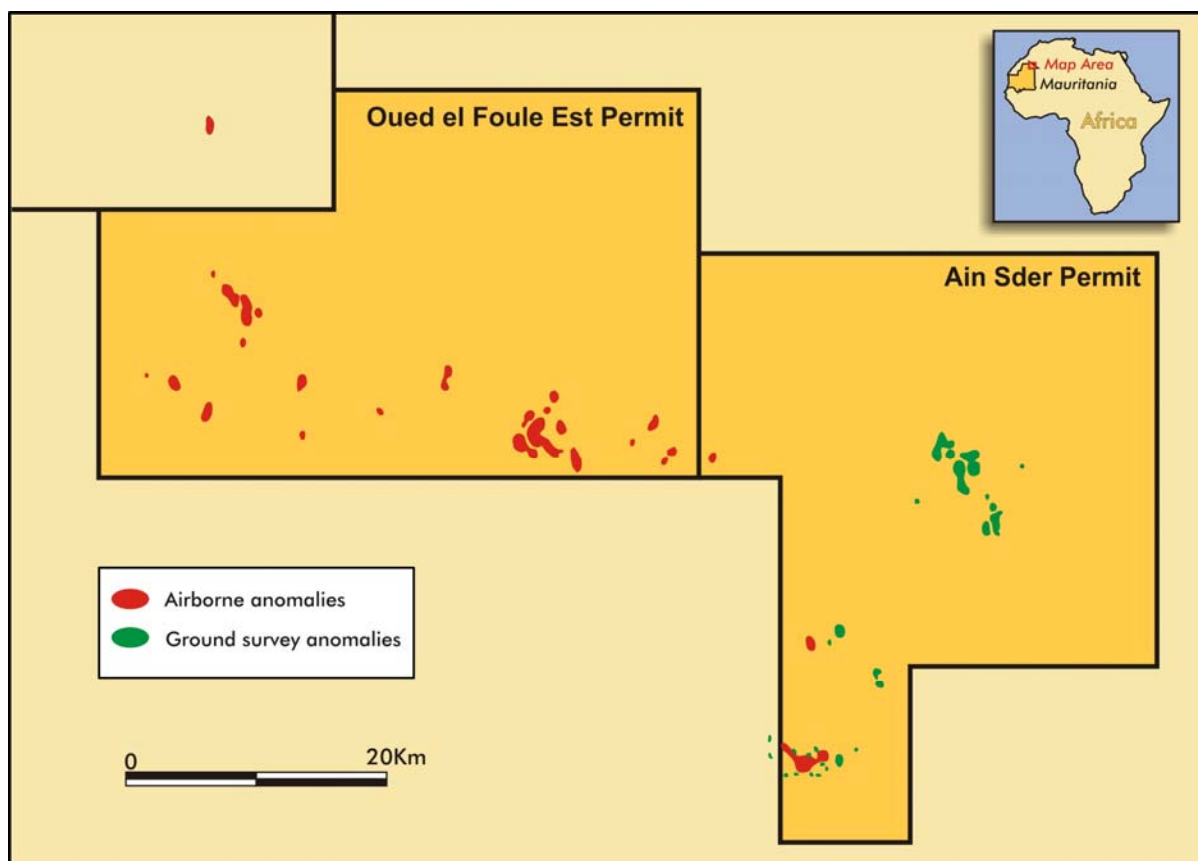


The eastern parts of the Aura permits have never been surveyed geophysically. Consequently Aura has completed an extensive ground radiometric survey to identify if further uranium targets existed within its permits.

This work proved successful.

A new zone some 10 kilometres in length containing radiometric anomalies has been identified in the Ain Sder permit, which is a joint venture area with GCM Resources plc. These anomalies may contain additional calcrete-type uranium mineralisation.

The anomalies are similar to those identified elsewhere on Aura's permits - as illustrated below for the adjacent Oued el Foule permit. Due to the high temperatures over summer, Aura has not yet been able to visit the areas to undertake sampling and confirm the nature of the anomalies.



Mauritania - Radiometric Targets in the Oued el Foule Est and Ain Sder Permits

Next Steps

Aura will commence a drilling programme in November 2010 to determine whether the new target areas contain uranium mineralisation.

For further information contact:

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The information in this report that relates to Exploration Results, Mineral Resources, or Ore Reserves is based on information compiled by Dr Robert Beeson. Dr Robert Beeson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking. This qualifies Dr Beeson as a Competent Person as defined in the 2004 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Robert Beeson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Dr Beeson is a member of the Australian Institute of Geoscientists.