

20 October 2010

ASX ANNOUNCEMENT

ENTITLEMENT ISSUE CLOSURE AND NOTICE OF SHORTFALL

Aura Energy Limited (ASX Code AEE) advises that the recent renounceable Entitlements Issue on a 1 for 5 ratio, offering 19,143,511 Ordinary Shares at 15 cents closed on 15 October 2010. The results of the Entitlement Issue are as follows:

Total number of shares on offer:	19,143,511
Total number of shares validly applied for:	11,660,190
Total value of shares validly applied for:	\$1,749,029
Number of applications received:	372
Number of Shortfall shares:	7,483,321
Value of Shortfall shares:	\$1,122,498

The issue is underwritten by Shaw Corporate Finance Pty Ltd. Shaw has been notified of the Shortfall.

A handwritten signature in black ink, appearing to be "Jay Stephenson", written over a faint circular stamp or watermark.

Jay Stephenson
COMPANY SECRETARY