

13 March 2012

DRILLING RECOMMENCES AT HÄGGÅN DEPOSIT, SWEDEN

HIGHLIGHTS

- ▶ **diamond drilling programme on Häggån Project commences on the back of excellent scoping study results**
- ▶ **programme aims to:**
 - ▶ **provide material for advanced metallurgical testwork**
 - ▶ **add to resource base in Häggån permit**
- ▶ **further test mineralised Marby permit**

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 Häggån 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.

Following on from excellent scoping study results, Aura Energy Ltd (ASX : AEE) has commenced a 2000 metre diamond drilling programme on its huge Häggån Project in Sweden.

The study results received in February, demonstrated economic viability for the project and a potential value of more than one billion dollars.

The drilling programme is the start of the pre-feasibility work and aims to provide sufficient material for the next phase of metallurgical testwork on Häggån, planned to commence in the second half of 2012.

Additional work will include adding to the resource base in the Häggån permit by drilling between the two areas of the current inferred resource.

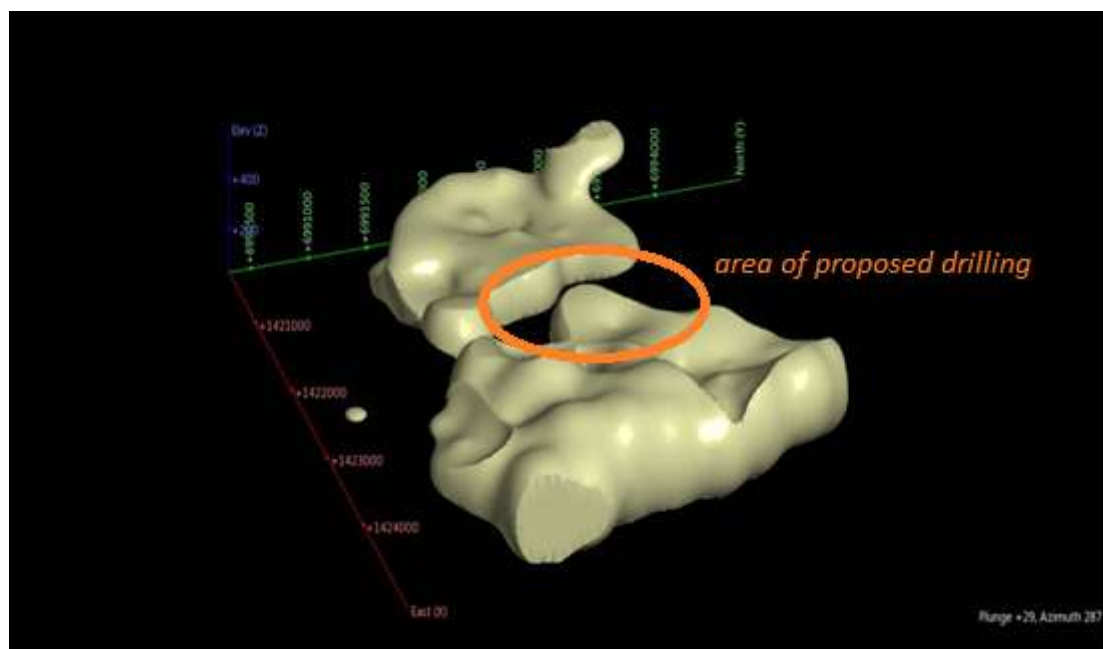


Figure 1: 3-d model of Häggån Project & proposed drilling

Aura's 100% owned Marby permit also holds a substantial zone of the uranium-molybdenum-vanadium-bearing Alum Shale. In 2008 the company's seven-hole drill programme intersected an average thickness of 96 metres of uranium-bearing shale. Further testing of this area will also be included in this current drilling campaign.

Aura's Managing Director, Dr Bob Beeson said: "The Company is moving the Häggån Project from exploration to the development phase. The scoping study results indicated that Häggån has the potential to become a top 10 global uranium producing operation as well as a significant nickel and molybdenum producer.

"The material collected in the drilling programme will allow us to proceed to our next stage of bio-heap metal recovery and environmental remediation testing as well as achieve an upgrade to the resource later in the year."

The Häggån Project covers 110 square kilometers of the Storsjön District in Sweden and forms part of an enormous uranium field, where the uranium occurs in black shales, and currently holds a JORC inferred resource of 631 million pounds uranium. There is potential for further large increases in resources with thick near-surface mineralisation

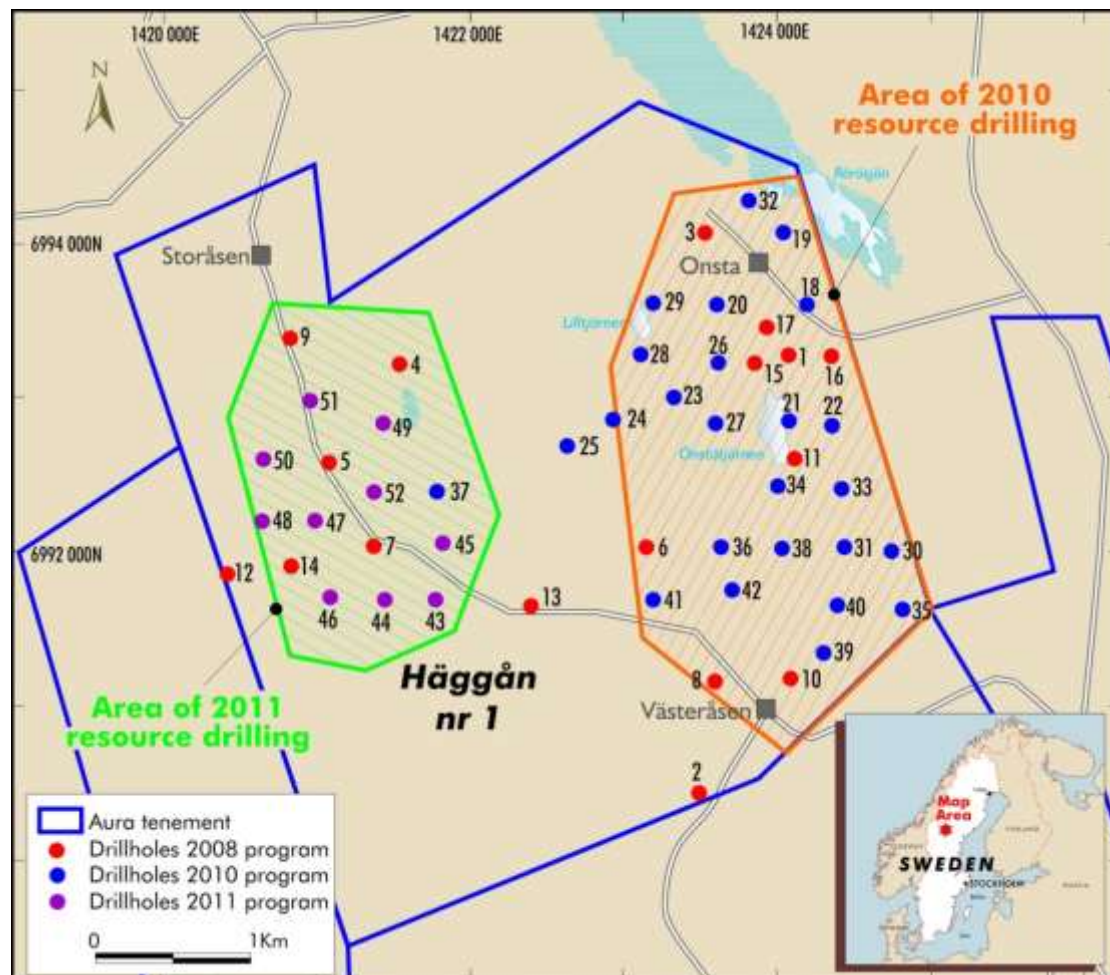


Figure 1: Aura drilling to date on Häggån project

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HÄGGÅN RESOURCE STATEMENT

Cutoff U ₃ O ₈ ppm	Tonnes, Bn ¹	U ₃ O ₈ ppm	MoO ₃ ppm	Ni ppm	Zn ppm
100	1.79	160	214	324	454

Competent Persons for Häggån Resource

Mr. Simon Gatehouse takes responsibility for estimation of uranium and associated metals in the Häggån Resource. This work was completed while Mr. Gatehouse was a consultant geologist, and a fulltime staff member of H&S. He is a competent person in the meaning of JORC having had a minimum of five years relevant experience in exploration and estimation of uranium and other metal resources in many parts of the world. He is a member of the Australian Institute of Geoscientists. Mr. Gatehouse consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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. Dr Beeson takes responsibility for the requirement of "reasonable prospects for eventual economic extraction" for the reporting of Häggån Resources at the quoted cut-off grades.



Figure 2: Summer drilling at Aura's Häggån project

¹ Billion