4 October 2012

# SIMPLE PROCESSING MORE THAN TRIPLES POTENTIAL REGUIBAT PLANT FEED GRADE

## HIGHLIGHTS

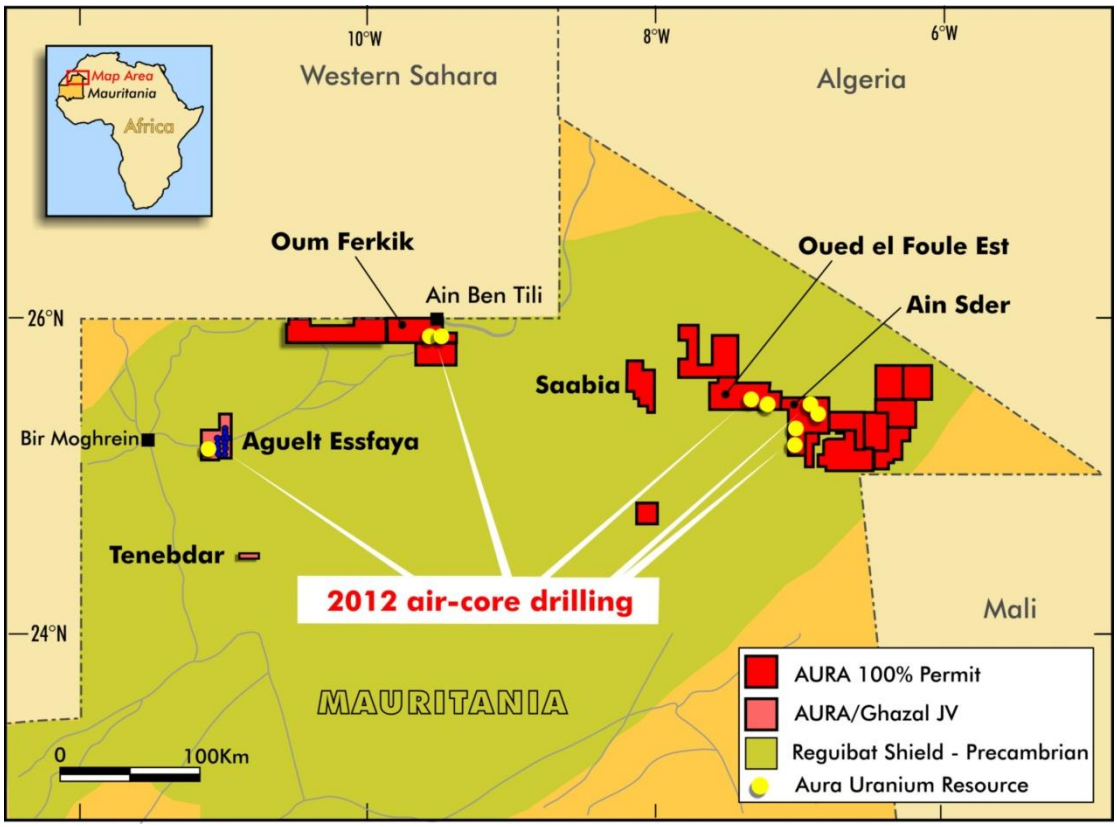
- **Removal of coarse material of Reguibat mineralisation increases grade of the product by a factor of three to 1,068ppm $U_3O_8$**

  **Opportunity for significantly reducing material volume and increasing uranium grade, which may lead to reduced capital and operating costs**

***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 is listed on the ASX.***

**Aura Energy Limited (ASX:AEE, 'Aura')** is pleased to announce that preliminary wet scrubbing tests on a sample from Aura's Reguibat calcrete uranium resource in northern Mauretania have indicated that the deposit grade can be very readily upgraded by a factor of three.

The sample tested was from the Oued El Foule Est deposit. It was a channel sample taken from the wall of a pit, from 0.5 to 1.0m below surface, and is typical of the material encountered throughout the Reguibat deposits. The principal uranium mineral present is carnotite.




***Location of Oued el Foule Este where the sample was taken***

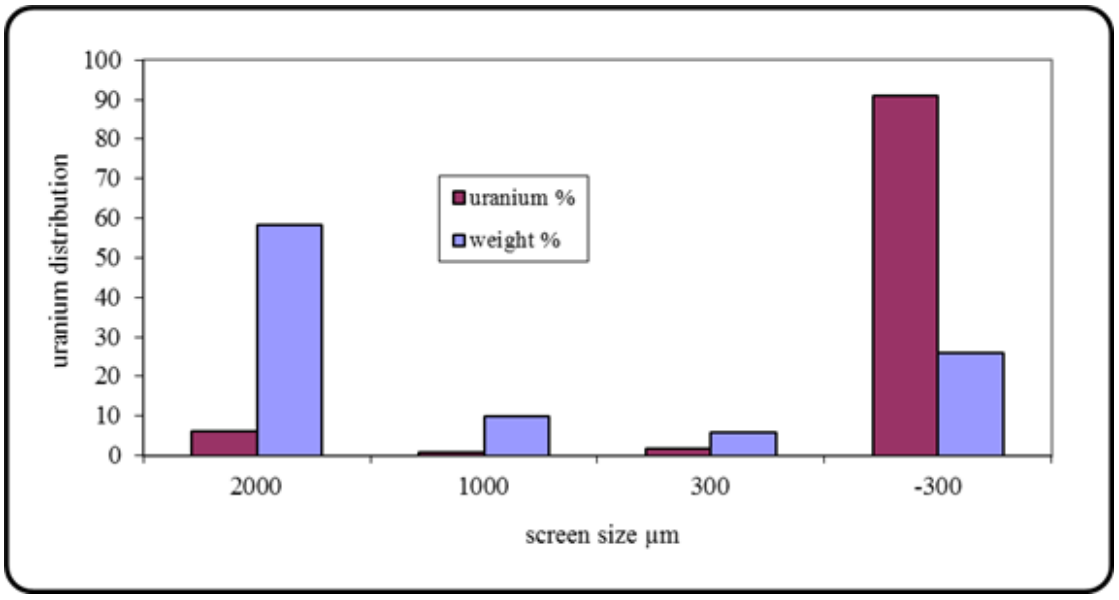
The sample was tumbled in water at 50% solids in a 4-litre jar. After four hours, it was wet screened and the screen fractions were then sampled and assayed.

This result indicates that, by screening at 300µm, 75% of the plant feed could be rejected to waste in a simple preliminary scrubbing plant, with a recovery of over 90% of the uranium. The remaining plant feed will be upgraded over three times to 1,068 ppm $U_3O_8$ (Table 1).

If similar results can be demonstrated across the resource, the economics of a future operation will be dramatically enhanced. The size of leaching plant required could potentially be reduced by two thirds, with major capital cost savings.

| Screen Size (µm) | Weight (g) | Weight (% on screen) | Weight (% passing screen) | $U_3O_8$ Grade (ppm) | Uranium (% distribution) |
|---|---|---|---|---|---|
| 2000 | 167 | 58 | 42 | 33 | 6.3 |
| 1000 | 28 | 10 | 32 | 25 | 0.8 |
| 300 | 17 | 6 | 26 | 93 | 1.8 |
| -300 | 75 | 26 | | 1068 | 91.1 |
| Total | 287 | 100 | | 305 | 100.0 |

**Table 1: Results of screen tests for the Reguibat sample**




The test result is supported by the results of some earlier scrubbing work on non-representative samples from the Ain Sder Deposit at various depth intervals, which gave similar waste rejection and upgrading of uranium.

There is evidence that the uranium recovery in a commercial scrubbing unit will be greater than the test indicates.

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***For further information contact:***

**Mr Jay Stephenson**
Company Secretary, Aura Energy
+61 (0)8 6141 3570
info@auraenergy.com.au

## REGUIBAT RESOURCE STATEMENT

| Category | Lower Cut Off | Tonnes | Grade | Contained $U_3O_8$ |
|---|---|---|---|---|
| | (ppm $U_3O_8$) | (Mt) | (ppm $U_3O_8$) | (Mlb) |
| Inferred | 100 | 68.7 | 330 | 50.2 |
| | 150 | 67.3 | 340 | 49.9 |
| | 200 | 60.7 | 350 | 47.3 |
| | 250 | 48.8 | 380 | 41.3 |
| | 300 | 35.8 | 420 | 33.4 |

### *Competent Persons for Reguibat Resource*

*The Competent Person for the Requibat Resource estimation and classification is Mr Oliver Mapeto from Coffey Mining.*
*The Competent Person for the drill hole data and data quality is Dr Robert Beeson from Aura Energy.*

*The information in the report to which this statement is attached that relates to the Mineral Resource and is based on information compiled by Oliver Mapeto. Oliver Mapeto 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. The qualifies Mr Mapeto as a Competent Person as defined in the 2004 edition of the " Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' Mr Mapeto is a Member of The Australasian Institute of Mining and Metallurgy and is employed by Coffey Mining Pty Ltd. Mr Mapeto 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.*


*Sample Before Scrubbing*


*Sample After Scrubbing*