



Quarterly Activities Report

For the period ended 30 June 2013

HIGHLIGHTS

- ▶ Aura raised \$0.8 million through a share placement
- ▶ Aura received a research tax rebate from the ATO of \$0.7 million
- ▶ The Board has been restructured, and now has four members
- ▶ Peter Reeve has joins Board and is elected Chairman
- ▶ The negotiations with Areva Mines have concluded
- ▶ Cost saving measures continue to be implemented

Company activities

Aura is currently reviewing its strategy with respect to its development path forward.

Aura remains committed to its development projects, and considers that the key strengths of the company are:

- ▶ The 803 million pounds of U3O8 in its Häggån Project in Sweden, the second largest undeveloped uranium deposit in the world
- ▶ The completed Scoping Study suggests \$13/lb. U3O8 cash costs, among the lowest in the world
- ▶ Aura has a second development project with strong upside at Reguibat in Mauritania

CORPORATE

Aura Energy has undertaken a restructure of its board with a view to streamlining board processes and positioning the company for the next stage of growth and development.

As part of this restructure Mr Peter Reeve has accepted the role as Chairman of Aura Energy Ltd ("Aura"), effective immediately. Peter is a professional metallurgist, and has held positions with Rio Tinto, Billiton Australia and Newcrest Mining. Peter was a Resource Fund Manager and Resources Corporate Finance Director at J B Were & Son. More recently Peter was Chief Executive Officer of Ivanhoe Australia Ltd.

Mr Reeve takes over the Chairman position from Mr Brett Fraser, who remains on the Board as a Non-Executive Board Member. Brett has been Chairman of Aura since its listing in 2006. Brett was a founding director of Aura, and has made a significant contribution to company. Brett has played a substantial role in guiding the company from greenfields explorer in Australia to the definition of two large uranium resources in Europe and Africa.

Mr Jay Stephenson, Mr Simon O'Loughlin and Mr Leigh Junk have stood down from their Non-Executive Board positions with Aura. Again these Directors have made very positive contributions to the progress of the company. Jay continues as Company Secretary of Aura.

Cost Savings programme

The reduction in numbers of Board Directors is part of Aura's cost efficiency programme in these challenging times in the junior mining sector.

For the past twelve months Aura has been engaged in a rigorous programme to reduce its outgoings. Expenditure for Exploration, Evaluation and Development by the company has been cut to a minimum over the past twelve months. Total costs for the December 2012 and March 2013 Quarters were \$1.2 million, down from \$2.8 million for the same quarters one year before.

Prudent fiscal management remains an imbedded process for Aura.

HÄGGÅN PROJECT, SWEDEN (AURA 100%)

Häggån is a very large uranium project in Central Sweden, located in a swampy area, and where commercial forestry has been carried out for generations. Sweden has a current and active mining industry, with a clear regulatory position and a well-established path from exploration to mining.

The Häggån resource of 803 million pounds uranium places it in the top two largest undeveloped uranium resources.

The Scoping completed in 2012 suggests that the Häggån Project has excellent potential to become a major low cost producer of uranium, with by-product nickel.

Corporate

Aura Energy has conducted a review of funding and development options for its flagship Häggån project in Sweden.

Aura signed an initial Exclusivity Agreement regarding the Häggån Project with a uranium market participant in August 2012. Subsequently, an unsolicited proposal was received from AREVA, which the Board assessed to be superior. Consistent with the fiduciary carve-out contained in the original Exclusivity Agreement, the Board engaged with AREVA. The negotiations with AREVA have now ceased.

Whilst the discussions with Areva have concluded the company is encouraged by the in depth reviews and due diligence of the Häggån Project completed by several major uranium companies.

Aura considers that this level of interest and technical review highlights the significance of the Häggån resource as a strategic future uranium supply source.

Project summary

The Häggån Project is a giant multi-metal deposit which is underpinned by huge uranium resource. The main metals in the current resources are:

- 803Mlbs U_3O_8 inferred resource (2.35Bn tonnes @ 155 ppm U_3O_8)
- Nickel – 1,640Mlbs
- Zinc – 2,230Mlbs
- Molybdenum – 1,070 Mlbs

The major advance with the Häggån Project has been the discovery that the material is ideally suited to bioleach metal extraction. Bioleaching, including bioheap leaching, is a proven technology widely used in copper and gold industries, but has had limited prior application to the uranium industry.

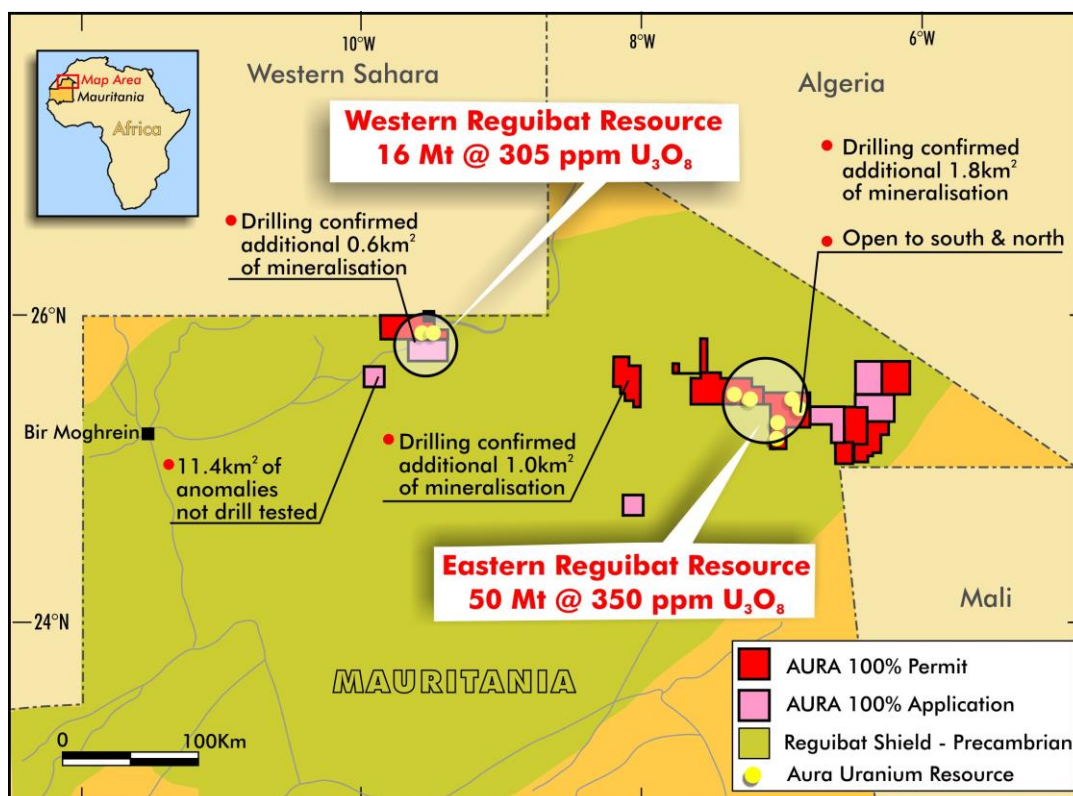
WEST AFRICAN ACTIVITIES

Aura has been active in the uranium provinces of West Africa since 2007. It currently holds tenements and joint ventures in Mauritania and three exploration permit applications in the uranium bearing Tim Mersoï Basin in Niger.

REGUIBAT PROJECT

The Reguibat Project comprises several laterally extensive developments of calcrete uranium mineralisation in northern Mauritania. An Inferred Resource of 48 million pounds at 330ppm U_3O_8 at a cut-off grade of 100ppm U_3O_8 was established in July 2011. These resources are contained in permits 100 per cent held by Aura.

Aura has extensive opportunities for expanding this resource base, as indicated in the map below.



The project mineralisation occurs at or just below the surface in flat-lying sheets. Mining would be inexpensive. It would be from shallow pits dug out by standard excavators and trucks, with no need for blasting. The strip ratio is likely to be well below 1.0.

The area of the deposit is largely flat-lying, treeless, uninhabited desert.

Physical uranium concentration

The uranium found at Reguibat occurs as carnotite-type calcrete mineralisation within unconsolidated coarser gravels and sands. Early tests have indicated that simple wet screening can reject about 75 per cent of the gravels and sands for the loss of only five to 10 per cent of the uranium, upgrading the plant feed to around 1000 parts per million. If this result is confirmed in future testwork, it translates into a much smaller, low-cost leaching plant, enhancing the project economics.



Trenching through the Reguibat calcretes showing the ease of excavation, and the flat, vegetation-free landscape

Aura Energy (ASX:AEE)

Headquartered in Melbourne and listed on the ASX, Aura Energy (AEE) is an explorer and developer of uranium assets. The company has advanced uranium projects with large resources that are close to the surface in both Europe and Africa and also has a resource in Australia. Aura holds a total of 853 million pounds of uranium in inferred resources. Its two main projects include: the Häggån Project located in Sweden's Alum Shale Province, the second largest undeveloped resource of uranium in the world, and the highly prospective Reguibat Province in Mauritania. The company aims to create shareholder value by completing feasibility studies on these two projects.

Market cap:	A\$11.8m (10c)
Cash position (30 June 2013):	\$2.0 million
Shares:	189 million
Options:	7.2 million

Main shareholders

Technical Investing:	7.15%
Kinetic Partners:	6.93%

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HAGGAN RESOURCE STATEMENT

Category	Size	U ₃ O ₈	Mo	V	Ni	Zn
	Mt	ppm	ppm	ppm	ppm	ppm
Inferred	2,350	155	207	1,519	316	431

Cut-off grade: 100ppm U₃O₈

Competent Persons for Häggån Resource

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.

Mr. Arnold van der Heyden takes responsibility for estimation of uranium and associated metals in the Häggån Resource. Mr. van der Heyden is a director of H&SC and is a competent person in the meaning of JORC having had around thirty 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. van der Heyden consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

REGUIBAT RESOURCE STATEMENT

Category	Tonnes	Grade	Contained U3O8
	Mt	ppm U3O8	Mlb
Inferred	68.7	330	50.2

Cut-off grade: 100ppm U₃O₈

Competent Persons for Reguibat Resource

The Competent Person for the Reguibat 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 "Australasian 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.

Appendix 5B

Mining exploration entity quarterly report

Name of entity

AURA ENERGY LIMITED (AEE)

ABN

62 115 927 681

Quarter ended ("current quarter")

30 June 2013

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 Months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	1
1.2 Payments for: (a) exploration & evaluation	(190)	(1,238)
(b) development	-	-
(c) production	-	-
(d) administration	(273)	(1,204)
(e) partnering development costs	(64)	(380)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	6	26
1.5 Interest and other costs of finance paid	(2)	(4)
1.6 Income taxes paid	-	-
1.7 Other – Grant received	729	1,010
Net Operating Cash Flows	206	(1,789)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects	-	(2)
(b)equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net Investing Cash Flows	-	(2)
1.13 Total operating and investing cash flows (carried forward)	206	(1,791)

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	206	(1,791)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc. net of costs	1,097	2,034
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	1,097	2,034
	Net increase (decrease) in cash held	1,303	243
1.20	Cash at beginning of quarter/year to date	712	1,725
1.21	Exchange rate adjustments to item 1.20	5	52
1.22	Cash at end of quarter	2,020	2,020

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	206
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Directors Fees and Superannuation, plus Management Fees paid to associated Company, and Exploration Consultancy. Back-pay of Directors' Fees and Salaries for March Quarter

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	574
4.2 Development	-
4.3 Production	-
4.4 Administration	163
Total	737

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	513	180
5.2 Deposits at call	1,507	532
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	2,020	712

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	Agueli Essfaya ^(a) Tenebdar ^(a) Bir Morgein ^(b)	(a) Withdrew from JV prior to earning in (b) Previously surrendered	0% 0% 0%	0% 0% 0%
6.2 Interests in mining tenements acquired or increased	-			

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference *securities (description)	-	-		
7.2 Changes during quarter	-	-		
(a) Increases through issues				
(b) Decreases through returns of capital, buy-backs, redemptions				
7.3 *Ordinary securities	183,285,591	183,285,591		
7.4 Changes during quarter				
(a) Increases through issues	10,498,750	10,498,750	\$0.08	\$0.08
(b) Decreases through returns of capital, buy-backs	4,073,392	4,073,392	\$0.08	\$0.08
7.5 *Convertible debt securities (description)	-	-		
7.6 Changes during quarter	-	-		
(a) Increases through issues				
(b) Decreases through securities matured, converted				
7.7 Options (description and conversion factor)			<u>Exercise price \$</u>	<u>Expiry date</u>
	570,000	-	\$0.45	31.03.2016
	375,000	-	\$0.30	23.12.2014
	3,500,000	-	\$0.31	31.10.2013
	1,000,000	-	\$0.20	31.05.2015
	3,000,000	-	\$0.20	31.05.2015
	200,000	-	\$0.20	4.12.2016
	32,789,218	32,789,218	\$0.20	1.12.2014
7.8 Issued during quarter	3,000,000	-	\$0.20	31.05.2015
	200,000	-	\$0.20	4.12.2016
7.9 Exercised during quarter	-	-		
7.10 Expired during quarter	600,000	-	\$0.60	24.04.2013
7.11 Debentures (totals only)	-	-		
7.12 Unsecured notes (totals only)	-	-		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Signed:
Company Secretary

Dated: 31 July 2013

Print name: Jay Stephenson

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 Issued and quoted securities. The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report.
- 5 Accounting Standards ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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