

29 April 2014

REGUIBAT SCOPING STUDY REVIEW HIGHLIGHTS EXCEPTIONAL 2011 DRILLING RESULTS

THESE INTERSECTIONS INDICATE TARGET ZONES FOR INITIAL HIGH GRADE MINING AREAS

Aura Energy Ltd (ASX; AEE) is pleased to announce that as part of the Reguibat Project Scoping Study, review of the global resource has highlighted the presence of several areas of high grade mineralisation.

The importance of these zones of high grade mineralisation is that, in conjunction with the strong beneficiation upgrade, the initial leach grades will be exceptionally high, driving strong early cash flow for the project.

During 2011, drilling campaigns aimed at delineating resources returned exceptional results in individual drill holes. Examples of highest grade results which will impact the Scoping Study outcomes include:

Table1: Eight high grade intersections from Oued el Foule Zone A; a list of all intersections above 500ppm U_3O_8 is given in Table 4

Hole ID	Easting	Northing	Intersection (m)	Grade (ppm U_3O_8)
10FEACA043	677009	2814805	2.5	1787
10FEACA142	680401	2812801	4	1409
10FEACA107	676901	2813402	3	1344
10FEACA046	677095	2814597	3	1341
10FEACG009	646398	2819198	3	1312
10FEACA024	679303	2815601	3	1193
10FEACA145	680394	2812597	3.5	1186
10FEACA078	676606	2813798	2	1081

The Reguibat project will be characterised by simple shallow mining, and is aided by the mineralisation's remarkable continuity within zones. The section below gives a northwest-southeast section, 1700 metres in length, through the southeast portion of the Oued el Foule Zone A. In addition **half of the intercepts exceed 600 ppm U_3O_8** , almost twice the average resource grade at a 100ppm cut-off. One contains an intersection of 4m @ 1,409ppm U_3O_8 .

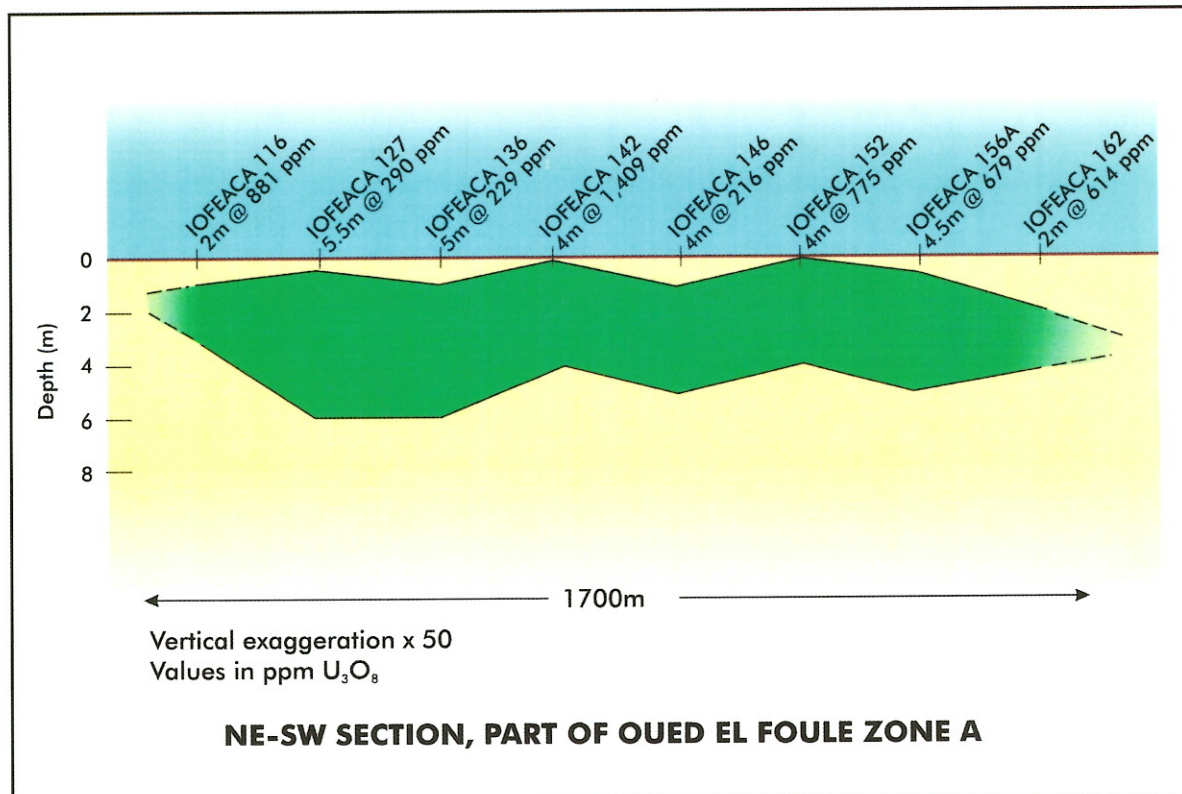


Fig. 1: Section through the southeast part of Zone A

This section also clearly illustrates the thin cover over the mineralisation which drives the minimal stripping for the project. This amount of cover is typical of the Reguibat mineralisation and is generally wind-blown sand which could be removed without the need for blasting therefore minimising mining costs.

High grade areas to increase uranium production in the early years

The aerial image below also highlights the number of drill intersections within resource areas with high to very high grades of uranium. 26% of Zone A drill holes have average grade intersections of $>500\text{ppm } U_3O_8^{a,b,c}$, and it is anticipated that these sections will provide significantly higher feed than the average resource grades (see Table 4). The drill hole spacing at Zone A is 200 by 100 metres.

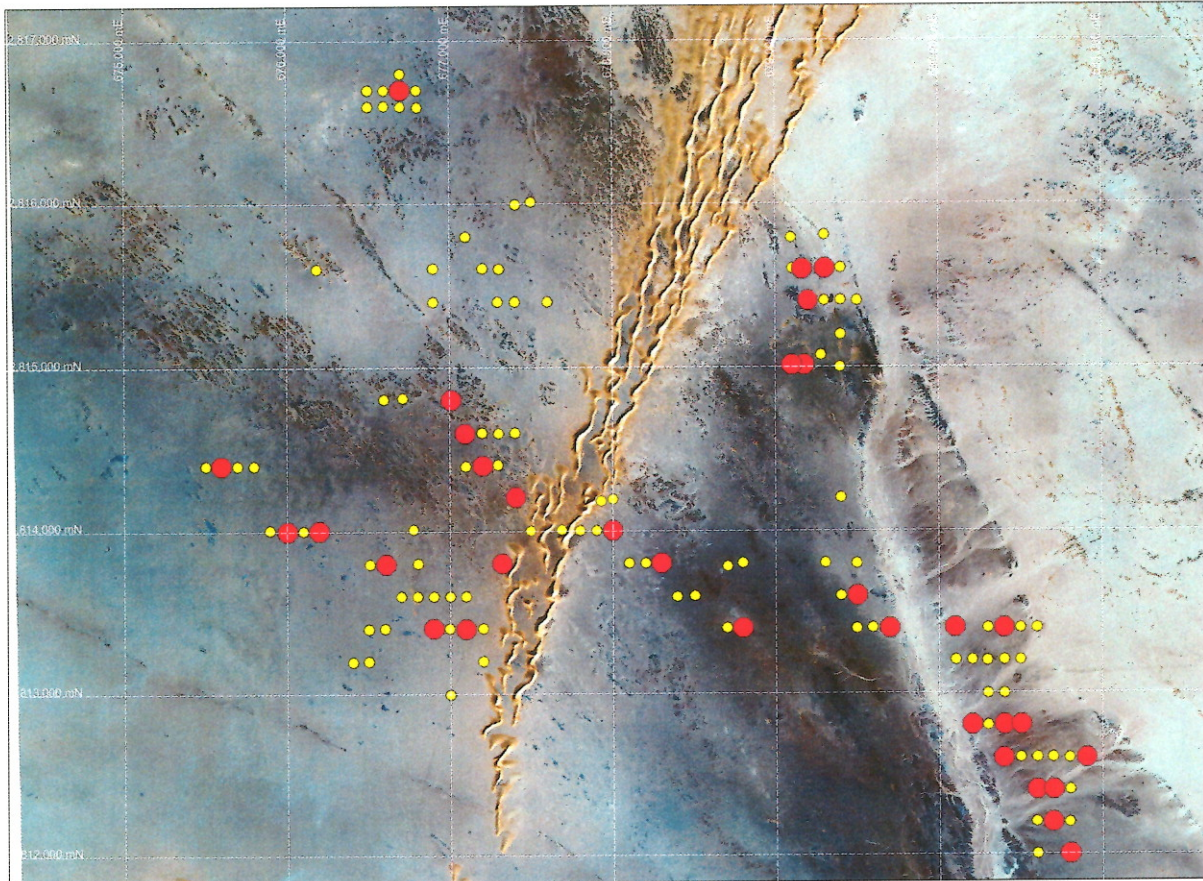


Fig. 2: Drill intersections >500ppm U₃O₈ (red) and 100-500ppm (yellow for Zone A; one kilometre grid squares

Reguibat Resource

Aura has a total Indicated and Inferred Resource for Reguibat of;

- 66 million tonnes at 334ppm U₃O₈, at a 100ppm cut-off for,
- 49 million pounds of U₃O₈^e contained uranium.

The robust nature of the project however becomes apparent when the resource is stated at higher cut-off grades. For example at a 300ppm U₃O₈ cut-off the project has 35 Mt @ 423ppm U₃O₈, containing 32 Mlbs of U₃O₈.

Current resources for the Reguibat project are:

Table 2: Indicated and Inferred Resources for the Reguibat Project at a 100ppm U₃O₈ cut-off grade

	Cut-off grade	Tonnes	Grade (ppm)	Mlbs. U ₃ O ₈
Total Indicated & Inferred	100	66	334	49
Indicated	100	2	300	2
Inferred	100	64	335	47

Table 3: Indicated and Inferred Resources for the Reguibat Project at a 300ppm U₃O₈ cut-off grade

	Cut-off grade	Tonnes	Grade (ppm)	Mlbs. U ₃ O ₈
Total Indicated & Inferred	300	35	423	32
Indicated	300	1	389	1
Inferred	300	34	424	31

Within the overall Zone A resource, 11.5Mt @ 430ppm U₃O₈ at a 300 ppm cut-off will be utilised for the Scoping Study. The Study assumes that a central washing, screening and leach plant, will be initially established at Zone A. This 11.5 Mt is assumed to provide feed for the Project for the first 11 years of operation at 1.0 million tonnes per annum throughput.

As previously advised the Reguibat mineralisation grade can be increased very significantly by simple beneficiation. Aura has demonstrated that more than 89% of the mass could be rejected, while retaining 86% of the uranium^b. This represented a seven-fold increase on the overall resource grade of 334ppm for the Reguibat deposit to 2,500ppm (0.25%) U₃O₈.

However, with the elevated grades now anticipated in the early years the potential range of grades to the leach plant could be 3,000 to 4,000 ppm U₃O₈.

This, plus favourable leaching characteristics, leads Aura to believe that Reguibat can be a low capital cost and low operating cost uranium producer.

It is worthy to note that in 2005 when the decision to mine at Langer Heinrich was taken, the resources were 98 Mt @ 434ppm U₃O₈ using a 100ppm cut-off grade. Langer Heinrich's mined grade in the first 4 years of operation averaged approximately 900ppm U₃O₈ and, after seven years of operation, the mined grade is still 50% higher than the 100ppm cut-off average.

Aura) is well advanced with its Scoping Study for the Reguibat Project in Mauritania^d. This aims to be completed by mid-year.

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Table 4: Uranium intersections at Zone A of greater than 500ppm U₃O₈

Hole ID	Easting	Northing	From	To	Intersection	Grade (ppm U ₃ O ₈)
10FEACA043	677009	2814805	0.5	3	2.5	1787
10FEACA142	680401	2812801	0	4	4	1409
10FEACA107	676901	2813402	0	3	3	1344
10FEACA046	677095	2814597	0	3	3	1341
10FEACG009	646398	2819198	0	3	3	1312
10FEACA024	679303	2815601	0	3	3	1193
including			0.5	2	1.5	1527
10FEACA145	680394	2812597	0	3.5	3.5	1186
10FEACA078	676606	2813798	1	3	2	1081
10FEACA056	677201	2814402	0	6	6	1027
10FEACA238	679175	2815013	1	3	2	965
10FEACG023	647193	2818590	0	3	3	904
10FEACA116	680096	2813401	1	3	2	881
10FEACA150	680901	2812598	1	5	4	842
10FEACE041	657099	2819006	0.5	2	1.5	839
10FEACA140	680201	2812801	0.5	3	2.5	821
10FEACA023	679165	2815598	0.5	4	3.5	796
10FEACA313	676700	2816700	0	3	3	794
10FEACA112	678798	2813402	1	4	3	784
10FEACG019	647197	2818799	0.5	2	1.5	780
10FEACA152	680601	2812399	0	4	4	775
10FEACA051	675598	2814401	0	4	4	767
10FEACA031	679198	2815402	0.5	3	2.5	745
10FEACA143	680502	2812802	2	5.5	3.5	706
10FEACA156A	680697	2812198	0.5	5	4.5	679
10FEACA119	680401	2813398	0.5	5	4.5	676
10FEACA059	677402	2814209	1	3.5	2.5	654
10FEACA115	679698	2813399	2	4	2	650
10FEACG008	646199	2819205	0	3	3	638
10FEACG011	646799	2819203	0.5	3	2.5	632
10FEACA162	680800	2812002	2	4	2	614
10FEACA303	679100	2815011	1	6	5	614
10FEACA067	676003	2814000	0	4	4	602
10FEACA227	677601	2815401	1	3	2	591
10FEACA069	676197	2814004	0	3	3	590
10FEACA075	678000	2814004	0.5	6	5.5	583
10FEACA153	680700	2812399	1	6	5	552
10FEACA095	676901	2813599	1	2	1	545
10FEACA086	678299	2813802	0	3	3	542
10FEACA109	677100	2813400	1	4	3	540
10FEACA103	679500	2813600	1	4	3	528

Hole ID	Easting	Northing	From	To	Intersection	Grade
10FEACG020	647398	2818800	0.5	3	2.5	524
10FEACA259	677321	2813803	1	4	3	503

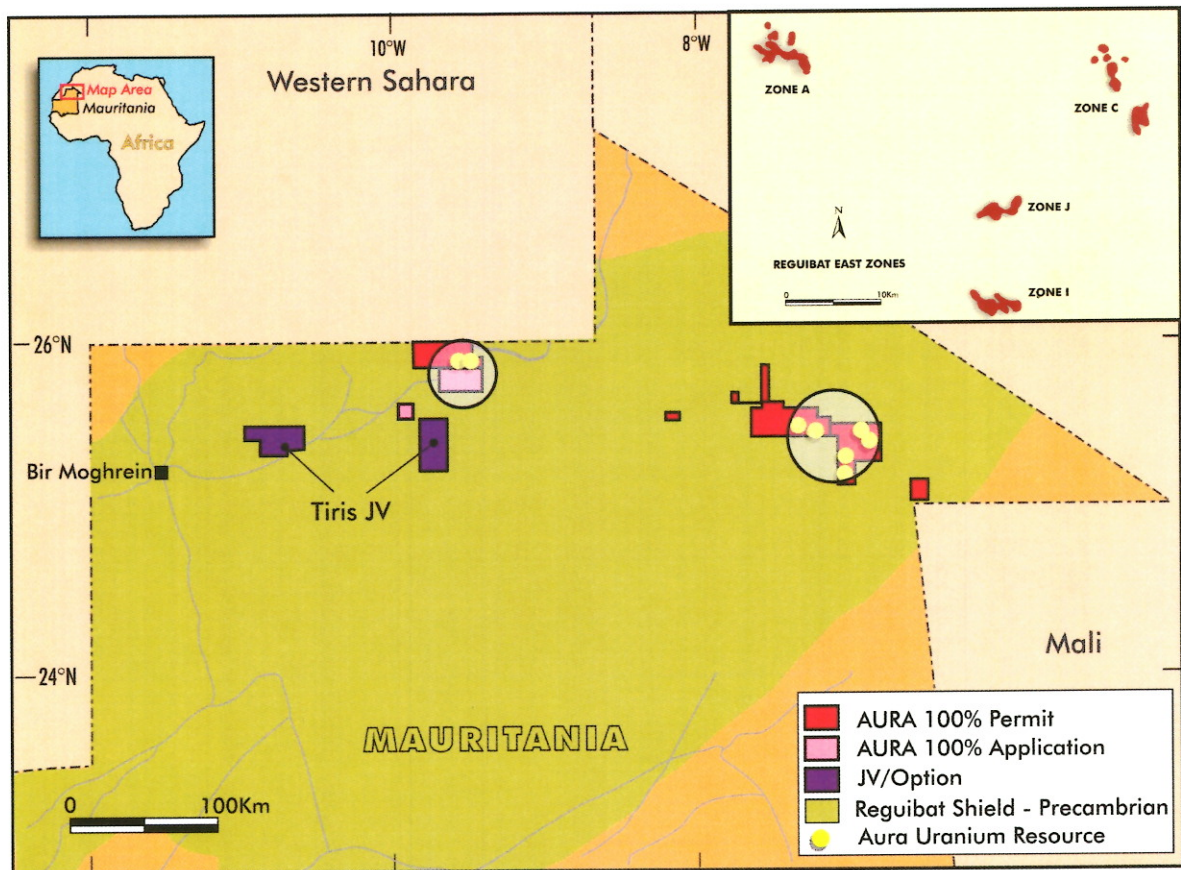


Fig. 3: Location of the Reguibat Project, Mauritania



Figure 4; Trench showing pale calcrete mineralisation under a thin cover of wind-blown sand

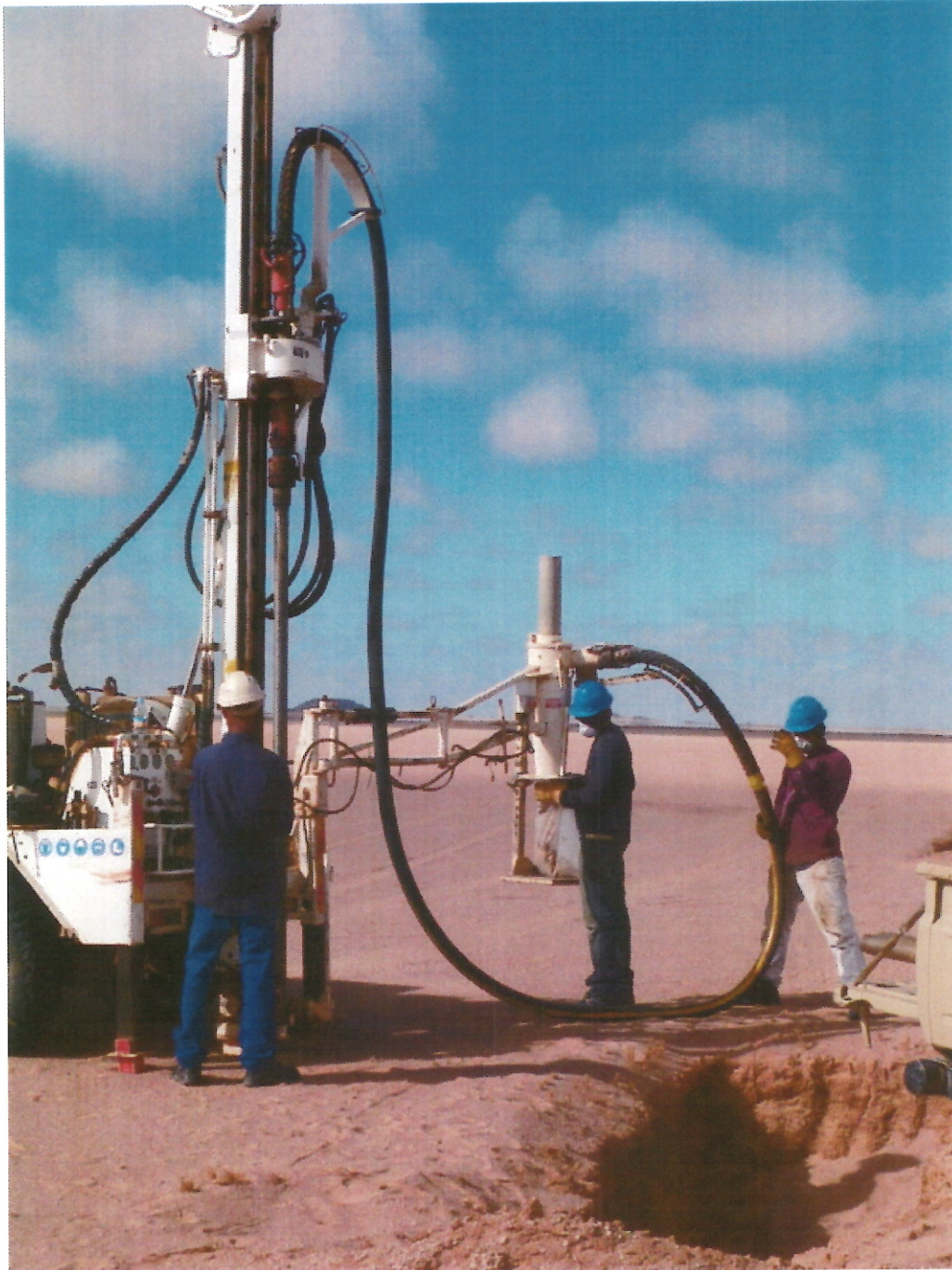


Fig. 5: Air core drilling at Reguibat

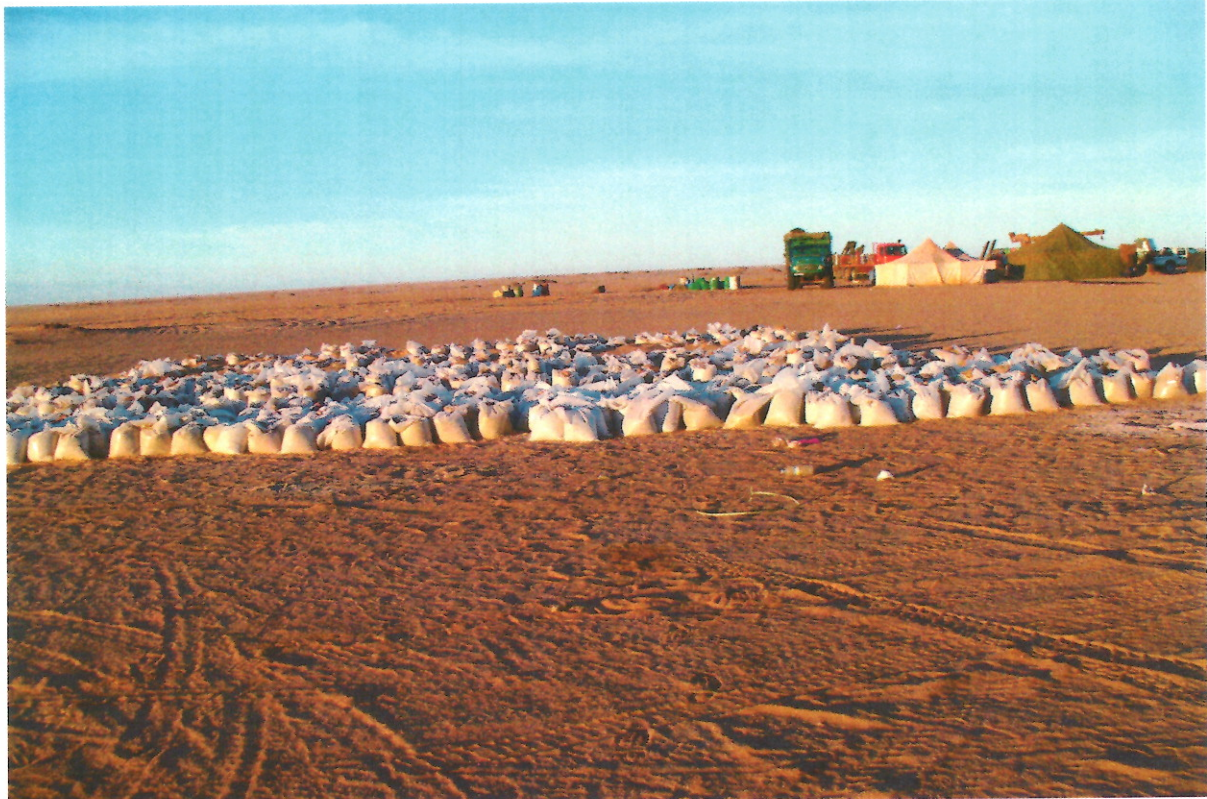


Fig. 6: Air core drilling samples at Reguibat

Competent Person

The information related to the Reguibat Project is extracted from the reports given below in this document. These reports are available to view on the company's website www.auraenergy.com.au. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement. This information was prepared and first disclosed under the JORC code 2004. It has not been updated to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was reported.

References to previous Aura Energy Ltd ASX announcements.

- a. Aura Energy Ltd release to the Australian Stock Exchange: Strong Calcrete Uranium Values Confirmed in Mauritania, 08/03/2011
- b. Aura Energy Ltd release to the Australian Stock Exchange: High Grade Uranium Results Continue in Mauritania, 11/04/2011
- c. Aura Energy Ltd release to the Australian Stock Exchange: Strong calcrete uranium values complete Mauritanian assays, 01/07/2011
- d. Aura Energy Ltd release to the Australian Stock Exchange: Aura on track to complete Reguibat Scoping Study in June, 14/4/14
- e. Aura Energy Ltd release to the Australian Stock Exchange: First uranium resource in Mauritania, 19/07/2011