ASX Announcement

aura energy

13 May 2014

SIGNIFICANT CAPITAL INVESTMENT IN MAURITANIA

MAURITANIA'S MINING CREDENTIALS VALIDATED BY $900 MILLION GLENCORE COMMITMENT

Aura Energy Ltd (ASX; AEE) notes that mining giant Glencore has approved a US$900 million capital investment for the development of the Askaf Iron ore Project in northern Mauritania.

This investment is significant for Aura as Askaf lies within the province of Mauritania where Aura is progressing its Reguibat Uranium Project (See location map below). Glencore's commitment is a strong validation of Mauritania as a sound jurisdiction for investment in mining development and reflects Aura's confidence in the country.

Glencore's approval follow confirmation of key fiscal terms by the Mauritanian Government, and finalisation of contractual arrangements for the provision of rail and port services for Askaf by Société Nationale Industrielle et Miniére de Mauritanie (SNIM), the national iron ore mining company.

The key points about Mauritania that are important for Aura are;

- Mauritania ranks 4th in the 2013 Fraser Institute Survey for African countries
- Foreign-owned mining companies such as First Quantum and Kinross have had successful large operations in Mauritania for many years
- Permitting for mining projects follows regulated, transparent and reliable process

Aura is well advanced with its Scoping Study for the Reguibat Project in Mauritania which will be based on a low capital cost project with strong cash flow. Aura considers that such a project is achievable due to the unique beneficiation attribute of the Reguibat ore which allows upgrades of the leach feed grades of up to 700%. The Scoping Study will be completed in June.

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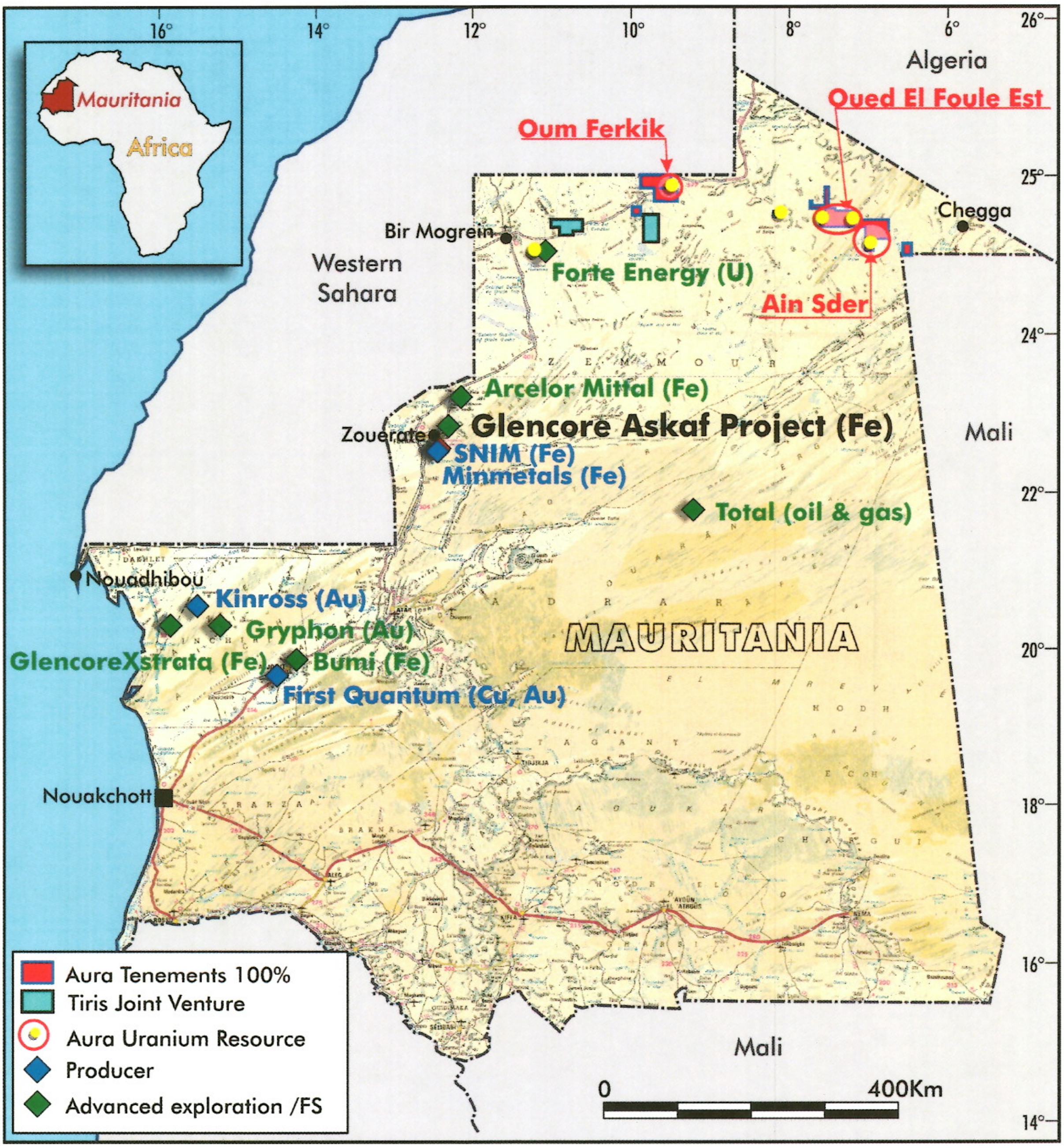
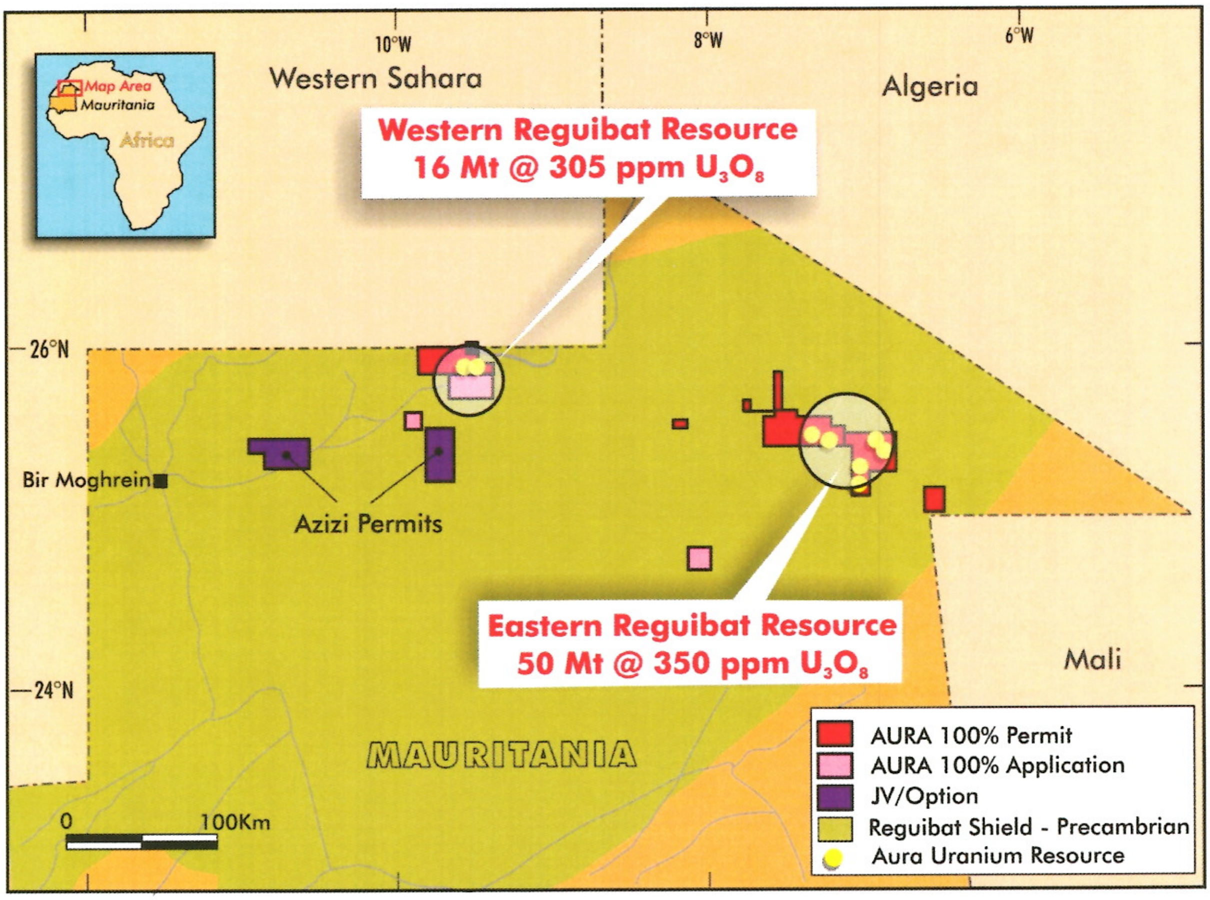

16°
14°
12°
10°
8°
6°
26°
25°
24°
22°
20°
18°
16°
14°
Mauritania
Africa
Algeria
Oued El Foule Est
Oum Ferkik
Chegga
Bir Mogrein
Western
Sahara
Forte Energy (U)
Ain Sder
Arcelor Mittal (Fe)
Glencore Askaf Project (Fe)
Zouerate
SNIM (Fe)
Minmetals (Fe)
Mali
Total (oil & gas)
Nouadhibou
Kinross (Au)
Gryphon (Au)
MAURITANIA
GlencoreXstrata (Fe)
Bumi (Fe)
First Quantum (Cu, Au)
Nouakchott
Aura Tenements 100%
Tiris Joint Venture
Aura Uranium Resource
Producer
Advanced exploration /FS
Mali
0
400Km


10°W
8°W
6°W
Western Sahara
Algeria
Map Area
Mauritania
Africa
Western Reguibat Resource
16 Mt @ 305 ppm U_3O_8
26°N
Bir Moghrein
Azizi Permits
Eastern Reguibat Resource
50 Mt @ 350 ppm U_3O_8
Mali
24°N
MAURITANIA
0
100Km
AURA 100% Permit
AURA 100% Application
JV/Option
Reguibat Shield - Precambrian
Aura Uranium Resource