



EXPLORE, DISCOVER, DEVELOP

13 April 2015

AURA PLACEMENT RAISES \$1 MILLION POTENTIAL TO RAISE A FURTHER \$1 MILLION

FUNDING TO PROGRESS HIGH GRADE TIRIS URANIUM PROJECT

- Commitments received for over \$1 million via a placement
- Several new investors introduced through the Placement, with strong support received from a number of existing large shareholders
- Existing shareholders to be provided opportunity in a Share Purchase Plan to participate in raising up to a further \$1 million on the same terms
- Funds raised to be applied to progressing the Definitive Feasibility Study into the high-grade and low-cost Tiris Uranium Project

The Board of Aura Energy Limited (ASX:AEE), is pleased to announce that it has received commitments for a placement to continue to fund the Definitive Feasibility Study for the development of high-grade Tiris Uranium Project. This funding maintains the timeline for the project development which could see construction commence near the end of 2016.

Commenting on the equity raising Aura's Executive Chairman, Peter Reeve said,

*"We are extremely pleased to receive the support of a range of new shareholders and the ongoing support of many of our largest and loyal shareholders. In the context of the tough equity market conditions for junior resource companies, the ability to attract several new investors illustrates the strong interest our Tiris Uranium Project is attracting based on its low-cost and high-grade characteristics. Tiris' natural attributes makes it one of the few uranium projects globally capable of moving into production in the medium term and generating **strong free cash flows at the prevailing uranium price, at a low and competitive capital cost.**"*

In the coming few weeks we expect exploration drill results from the 4,250m drilling programme recently completed at the Tiris Project may provide additional scope to demonstrate intrinsic strength of the project in a commodity that is attracting much attention. The involvement of several Australian stockbroking firms in this capital raising signifies that both the Aura Energy development story and uranium the commodity is gaining traction despite the general difficult market environment”.

Placement Details

Aura has received commitments to raise up to \$1 million in a placement to sophisticated and professional investors through the issue of up to 41.1 million new shares at 2.5 cents per share (“Placement”). Participants in the Placement will also receive one attaching option for every two shares subscribed for in the Placement, exercisable at 5 cents each on or before the date which is 24 months from the date of issue (“Options”) with these options subject to shareholder approval.

The Placement was over-bid, and strongly supported by several existing shareholders, as well as a number of new professional and sophisticated investor clients of a number of Australian stockbroking firms. Hartleys Limited is Broker to the Offer.

In addition to the Placement, the Board has resolved to offer eligible shareholders the opportunity to acquire new shares on the same terms as the Placement through a **Share Purchase Plan** (“SPP”) to raise up to a further \$1 million, which together with the Placement may raise up to \$2 million in total.

Aura shareholders registered on the Company’s share register on 10 April 2015, and having an Australian or New Zealand address will be entitled to apply for up to \$15,000 worth of shares at 2.5 cents per share, and also receive a free attaching option (on a 1 for 2 basis) on the same terms as the Options offered under the Placement. The SPP is subject to shareholder approval.

Funds raised by the Placement and SPP will be applied to progressing Aura’s Tiris Uranium Project in Mauritania, and for working capital. Particular areas to be progressed in the study include the environmental baseline studies, further beneficiation testwork, additional water studies and elements of detailed design.

Tiris Uranium Project

Based on the exceptionally positive outcomes of the Scoping Study completed in 2014, Aura commenced a Definitive Feasibility Study at the Tiris Project, which contains a current **Resource of 49 Mlbs U₃O₈**, and based on the low capital cost and low operating costs expected, is capable of generating strong free cashflow at the prevailing uranium prices.

Key findings of the Scoping Study included:

- **C1 Cash costs of US\$30/lb U₃O₈**
- **Capex of US\$45 million**
- Pre-tax cashflow of A\$360 million, based on uranium price of US\$65/lb and 0.90 AUD/USD
Mineralisation occurs from surface - only 4-5 metres deep
- The ore upgrades by 500 – 700% to a leach feed grade circa 2,500ppm U₃O₈
- Leach recovery of 94% U₃O₈ in only 4 hours
- Production profile of 0.7 - 1Mlbs U₃O₈ per annum for 15 years

- IRR of 78%

Notably, *the Scoping Study was completed over only 20% of the Tiris Resource*, indicating significant scope for improved project economics when the full known 49 Mlb Resource is incorporated in the evaluation.

Extraordinary General Meeting

The Placement shares will be issued pursuant to the Company's Listing Rule 7.1 capacity, and do therefore not require shareholder approval. The Options attaching to the Placement will be issued subject to shareholder approval at a General Meeting expected to be held on or around 25th May 2015.

The Options will be listed on the Australian Securities Exchange subject to meeting the ASX listing requirements.

The Company will issue a prospectus in relation to the SPP and the Options in the coming days. The SPP Prospectus will be mailed to shareholders shortly thereafter, along with a Notice of General Meeting.

This announcement effectively lifts the trading halt requested by Aura on Thursday, 9 April 2015. Aura is not aware of any reason why the ASX would not allow trading to commence immediately.

For more information, contact:

Peter Reeve
Executive Chairman
Aura Energy Limited

Phone: +61 (0)3 9890 1744

Email: info@auraenergy.com.au

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

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

Competent Person

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 2012 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.

The information related to resources for the Reguibat Project is extracted from the report given below in this document. This report is 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.

Aura Energy Ltd release to the Australian Stock Exchange: First uranium resource in Mauritania, 19/07/2011