

AURA ENERGY LIMITED

ACN 115 927 681

PROSPECTUS

Pursuant to this Prospectus, the Company proposes to make the following offers:

- (a) of 20,381,170 listed Options to Placement Subscribers (exercisable at \$0.05 each expiring on or before the date which is 24 months from the date of issue), on the basis of one (1) free listed Option for every two (2) Shares subscribed for by the Placement Subscribers under the Placement (**Placement Offer**); and
- (b) of up to 40,000,000 Shares to Eligible Shareholders at an issue price of \$0.025 per SPP Share, together with 20,000,000 free-attaching listed SPP Options (exercisable at \$0.05 each expiring on or before the date which is 24 months from the date of issue), on the basis of one (1) free listed SPP Option for every two (2) SPP Shares subscribed for by Eligible Shareholders to raise \$1,000,000 (before costs) (**SPP Offer**).

(together, the **Offers**).

The issue of the Options under the Placement Offer, and SPP Shares and SPP Options under the SPP Offer will be subject to shareholder approval at the Company's general meeting to be held on 10 June 2015.

PLACEMENT OFFER INFORMATION

The Placement Offer has closed. Please read the instructions in this Prospectus and on the Placement Application Form regarding the acceptance of Options under the Placement Offer.

SPP OFFER INFORMATION

The SPP Offer is currently scheduled to close at 5.00pm WST on 21 May 2015. Valid applications for SPP Shares and SPP Options under the SPP Offer must be received by that time. Applications by Eligible Shareholders can be made on the SPP Acceptance Form that accompanies this Prospectus. Please read the instructions in this Prospectus and on the SPP Acceptance Form regarding the acceptance of SPP Shares and free-attaching SPP Options under the SPP Offer.

IMPORTANT NOTICES

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser. The Placement Options, SPP Shares and SPP Options offered by this Prospectus should be considered as speculative.

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1. SUMMARY OF IMPORTANT DATES AND INFORMATION

TIMETABLE

SPP Record Date	10 April 2015
SPP and Placement announcement date	13 April 2015
Placement issue date	23 April 2015
Lodgement of Prospectus with the ASIC and ASX	1 May 2015
Prospectus despatch date	8 May 2015
SPP Closing Date	21 May 2015
General Meeting	10 June 2015
Issue of SPP Securities, despatch of holdings statements	12 June 2015

*These dates are indicative only and may change without prior notice.

IMPORTANT NOTES

This Prospectus is dated 1 May 2015 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

The expiry date of the Prospectus is 5.00pm WST on the date that is 13 months after the date of this Prospectus (**Expiry Date**). No Shares and Options will be granted on the basis of this Prospectus after the Expiry Date.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

This Prospectus is a transaction specific prospectus for offers of Shares and Options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as a full form prospectus. In making representations in this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

RISK FACTORS

Potential investors should be aware that subscribing for Shares and Options in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 7 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares and Options in the future.

ELECTRONIC PROSPECTUS

Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Acceptance Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any SPP Offer or Placement Offer subscribers may obtain a hard copy of this Prospectus free of charge by contacting the Company on +61 3 9890 1744.

FOREIGN JURISDICTIONS

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

2. CORPORATE DIRECTORY

Directors

Mr Peter Reeve
(Executive Chairman)

Mr Brett Fraser
(Non-Executive Director)

Mr Julian Perkins
(Non-Executive Director)

Dr Bob Beeson
(Non-Executive Director)

Company Secretary

Mr Stan Zillwood

Share Registry*

Computershare Investor Services Pty
Limited
Level 2, Reserve Bank Building
45 St Georges Terrace
Perth, WA 6000
Australia

Auditor*

Bentleys
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12 Kings Park Road
West Perth WA 6005

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Solicitors

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000

ASX Code

AEE

Corporate Advisor

Hartleys Limited
Level 6
141 St Georges Terrace
Perth WA 6000

*This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

3. CHAIRMAN'S LETTER

Dear Shareholder,

On 13 April your Board announced the successful completion of the Placement of new shares in the Company to raise in excess of A\$1 million. As a fellow Shareholder, it is my pleasure to invite you to participate in a shareholder purchase plan which provides the Company's existing Shareholders the opportunity to acquire up to 40,000,000 SPP Shares in the Company on the same terms as the Placement, including the issue of one free attaching option for every two SPP Shares acquired.

Your Board remains confident that the outlook for the uranium price remains bright, with China's concern over carbon emissions underpinning a wave of new nuclear reactor construction like never experienced before. In addition, the process to restart a number of nuclear reactors in Japan is underway, and we expect to see a large increase in the uranium contracting activities of utilities. Together these factors underpin a continued strengthening of the uranium price.

The Company is focussed on capitalising on the upswing in demand for uranium with the Company's activities focused on the Tiris Uranium project in Mauritania. In 2014, the Company delivered a scoping study on the Tiris project which demonstrated Tiris' low capital requirements and low, competitive operating costs.

The scoping study demonstrated that the capital requirement for the Tiris project is \$US45 million for an initial 15 year mine life at a low cash cost of US\$30/lb, which is below many of our peers.

The project has some excellent natural attributes which reduce the process plant footprint substantially, eliminate grinding and allow fast leaching which, along with a mine depth of only 5 metres, is the reason we are proceeding straight to carrying out a feasibility study (**Tiris Feasibility Study**).

The Company's other project, Häggån, has potential to be a major source of European uranium and whilst displaced in timing by our enthusiasm for Tiris, it is by no means forgotten or sidelined. As one of the world's largest undeveloped uranium projects it is a stunning longer term development project for the Company, providing Shareholders with significant leverage to a rising uranium price.

The Company is committed to getting the Tiris project into production, whilst minimising dilution to Shareholders. To achieve this goal, the Company has established a number of key milestones, including:

- advance the Tiris Feasibility Study in an expedient and cost effective manner;
- optimise the economics of the Tiris project with significant potential to increase the scale and further reduce the operating costs of the Tiris project;
- progress project funding discussions with potential strategic and offtake partners;
- increase the profile of the Company among both the investment community and the uranium industry globally; and

- closing the glaring valuation gap between the Company and some of its closest peer uranium companies.

2015 has seen a new management team take on the running of the Company with a strong commercial drive and focus. The Company does not apologise for driving forward as hard as it prudently can to progress the development of its excellent assets.

I would like to thank shareholders both new and old for their ongoing support and commend to you this opportunity to participate in the Share Purchase Plan offering. It is an exciting time for the Company and we look forward to your continued support as we move to the next exciting phase for the Company.

Peter Reeve
Executive Chairman

4. DETAILS OF THE OFFERS

4.1 Background

On 13 April 2015, the Company announced it had received commitments for a placement to raise in excess of \$1,000,000 to fund the definitive feasibility study for the development of the high-grade Tiris Uranium Project through the issue of 40,762,340 Shares at an issue price of \$0.025 per Share (**Placement Shares**) (together with 1 for 2 free-attaching listed Options exercisable at \$0.05 on or before the date which is 24 months from the date of issue) (**Placement Options**) (**Placement**).

Further, the Company also announced its intention to raise up to a further \$1,000,000 whereby shareholders registered on the Company's share register on 10 April 2015 and having an Australian address (**Eligible Shareholders**) would be provided the opportunity to subscribe for Shares and Options under a share purchase plan on the same terms as the Placement through the issue of 40,000,000 Shares (**SPP Shares**) at an issue price of \$0.025 per Share (together with 1:2 free-attaching listed Options exercisable at \$0.05 on or before the date which is 24 months from the date of issue (**SPP Options**)) (**SPP Offer**).

The Placement Shares were issued under the Company's available placement capacity on 23 April 2015.

The issue of the Placement Options, SPP Shares and the SPP Options are subject to Shareholder approval being obtained at a meeting of shareholders proposed to be held on 10 June 2015 (**General Meeting**).

This Prospectus makes the offer of:

- (a) the free-attaching Placement Options to subscribers of Placement Shares under the Placement on a pro rata basis (**Placement Offer**); and
- (b) the offers of the SPP Shares and SPP Options under the SPP Offer.

4.2 The Offers

By this Prospectus, the Company offers for subscription:

- (a) for nil cash consideration, 20,381,170 Placement Options pursuant to the Placement Offer;
- (b) up to 40,000,000 SPP Shares at an issue price of \$0.025 per Share to raise up to \$1,000,000 together with up to 20,000,000 SPP Options on the basis of one (1) free SPP Option for every two (2) Shares subscribed for pursuant to the SPP Offer.

Up to approximately \$1,000,000 will be raised by the issue of the SPP Shares and SPP Options pursuant to the SPP Offer. Eligible Shareholders will be entitled to apply for up to \$15,000 worth of SPP Shares under the SPP Offer.

No funds will be raised from the issue of the Placement Options or the SPP Options pursuant to this Prospectus as the Placement Options and SPP Options are issued free attaching to the Placement Shares and SPP Shares respectively.

All of the Placement Options and SPP Options offered under this Prospectus will be granted on the terms and conditions set out in Section 6.1 of this Prospectus.

All of the Shares issued upon the future exercise of the Placement Options and SPP Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 6.2 for further information regarding the rights and liabilities attaching to the Shares.

4.3 Conditional Offers

The issue of the Placement Options and the issue of SPP Shares and SPP Options pursuant to the SPP Offer are conditional upon the Company obtaining shareholder approval to issue the relevant Securities at the General Meeting. If Shareholder approval is not obtained for the SPP Offer, all application monies will be refunded as soon as practicable.

4.4 Minimum subscription

There is no minimum subscription for the Offers.

4.5 Applications

Placement Subscribers may apply for the Placement Offer by completing the Placement Offer application form (**Placement Application Form**) accompanying this Prospectus in accordance with the instructions outlined on the Placement Application Form. Applications pursuant to the Placement Offer must only be made by those investors who participated in the Placement by subscribing for Placement Shares under the Placement Offer.

An application for SPP Shares and SPP Options under the SPP Offer must be made on the prescribed SPP acceptance form accompanying this Prospectus (**SPP Acceptance Form**). Pursuant to the SPP Offer, Eligible Shareholders may apply for up to a maximum of \$15,000 worth of Shares in amounts of \$2,000, \$5,000 and \$15,000 (equivalent to a maximum of 40,000,000 SPP Shares and 20,000,000 free-attaching SPP Options) by completing the SPP Acceptance Form in accordance with the instructions outlined on the SPP Acceptance Form. Applications pursuant to the SPP Offer must only be made by Eligible Shareholders.

Any investors may apply for SPP Shortfall Securities by completing the SPP Shortfall Securities application form (**Shortfall Securities Application Form**) (it is not a requirement that applicants need to be a Shareholder or an Eligible Shareholder) in accordance with the instructions outlined on the Shortfall Securities Application Form. The Company cannot guarantee that any applicant will receive any of the SPP Shortfall Securities subscribed for. The Directors reserve the right to issue the SPP Shortfall Securities in their sole discretion, including not to issue, or to scale back applications for SPP Shortfall Securities in their sole discretion.

4.6 Shortfall Offer

Any SPP Shares (and SPP Options) not taken up pursuant to the SPP Offer (**SPP Shortfall Securities**) will form the Shortfall Offer (**Shortfall Offer**) which is made by the Company to all investors by way of this Prospectus.

The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the SPP Closing Date.

The Company will issue one SPP Option for every two (2) SPP Shares subscribed for by an investor under the Shortfall Offer.

The issue price for each Share to be issued under the Shortfall Offer shall be \$0.025 being the price at which SPP Shares have been offered under the SPP Offer and the price of the SPP Options will be nil as they are free attaching to the SPP Shares.

There is no maximum limit on the number of Shares that an investor may apply for under the Shortfall Offer.

The Shortfall Offer is conditional upon the Company obtaining shareholder approval to issue the relevant Shortfall Securities at the General Meeting. If Shareholder approval is not obtained for the SPP Offer, all application monies will be refunded as soon as practicable.

The Directors reserve the right to issue SPP Shortfall Securities at their absolute discretion and may issue to an applicant a scaled back, lesser number of, or no, SPP Shortfall Securities than the number for which the applicant applies for on the Shortfall Securities Application Form. Further details on how to apply for SPP Shortfall Securities are set out in Section 4.5 and in the accompanying Shortfall Securities Application Form.

4.7 Payment by cheque/bank draft

All cheques in respect of the SPP Offer must be drawn on an Australian bank or bank draft made payable in Australian currency to "Aura Energy Limited" and crossed "Not Negotiable".

Your completed SPP Acceptance Form and cheque must reach the Company's share registry no later than 5.00pm WST on the SPP Closing Date.

4.8 Payment by BPAY® for SPP Offer

For payment by BPAY®, please follow the instructions on the SPP Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the SPP Acceptance Form but are taken to have made the declarations on that SPP Acceptance Form; and
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your application monies.

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 4.00pm (WST) on the SPP Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any application monies received for more than your final allocation of Shares (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

4.9 Lead Broker

Hartleys Limited (**Lead Broker**) has been appointed as lead broker to the Offer. The terms of the appointment of the Lead Broker are summarised in section 8.4 of this Prospectus.

4.10 No Underwriting

The Offers are not underwritten.

4.11 ASX Quotation

Application for Official Quotation of the SPP Shares, SPP Options and Placement Options offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus.

The SPP Options and Placement Options will only be listed in the event that the ASX listing conditions are met.

The fact that ASX may grant Official Quotation to the SPP Shares, SPP Options and Placement Options is not to be taken in any way as an indication of the merits of the Company or the Shares and Options now offered for subscription.

4.12 Clearing House Electronic Sub-Register System (CHESS) and Issuer Sponsorship

The Company will not be issuing Share and Option certificates. The Company is a participant in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares and/or Options allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

4.13 Enquiries

Any questions concerning the Offers should be directed to the Company on +61 3 9890 1744.

5. PURPOSE AND EFFECT OF THE OFFERS

5.1 Purpose of the Offers

The purpose of the Offers is to Issue:

- (a) 20,381,170 Options under the Placement Offer on the basis of one free Option for every two Shares subscribed for under the Placement;
- (b) up to 40,000,000 SPP Shares under the SPP Offer; and
- (c) up to 20,000,000 SPP Options under the SPP Offer on the basis of one free-attaching SPP Option for every two SPP Shares subscribed for under the SPP Offer.

Approximately \$1,000,000 will be raised by the issue of SPP Shares pursuant to the SPP Offer. No funds will be raised from the issue of the SPP Options pursuant to the SPP Offer or the Placement Options pursuant to the Placement Offer as they are free-attaching.

5.2 Use of Funds

The Company intends to use the funds raised from the Placement and SPP Offer primarily towards progressing the Company's Tiris Uranium Project in Mauritania and for working capital in accordance with the table set out below:

Item	Proceeds of the Offer	Funds Raised (\$)	%
1.	Tiris Feasibility Study	550,000	55%
2.	Tiris tenement management	50,000	5%
3.	Sweden tenement management	100,000	10%
4.	Expenses of the Offer ¹	100,000	10%
5.	Corporate overheads	100,000	10%
6.	Working capital	100,000	10%
	Total	1,000,000²	100.00%

Notes:

- 1. Refer to section 8.8 of this Prospectus for further details relating to the estimated expenses of the Offer.
- 2. To the extent that less than \$1,000,000 is raised under the SPP Offer, funds will be reduced first from working capital, then corporate overheads, then from items 1 to 3 in that order.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

5.3 Effect of the Offers

The principal effect of the Placement Offer, assuming all Placement Options offered under the Prospectus pursuant to the Placement Offer are granted, will be to increase the number of Options currently on issue by up to 20,381,170.

The principal effect of the SPP Offer, assuming all SPP Shares are issued and SPP Options are granted under the SPP Offer, will be to increase:

- (a) the number of Shares currently on issue by up to 40,000,000; and
- (b) the number of Options currently on issue by up to 20,000,000.

5.4 Pro-forma balance sheet

	Audit Review 31 December 2014 \$	Unaudited Pro forma 31 December 2014 \$
CURRENT ASSETS		
Cash and cash equivalents	1,304,077	3,323,136
Trade and other receivables	103,959	103,959
TOTAL CURRENT ASSETS	1,408,036	3,427,095
NON-CURRENT ASSETS		
Property, plant and equipment	2,435	2,435
Deferred exploration and evaluation expenditure	13,200,885	13,200,885
TOTAL NON-CURRENT ASSETS	13,203,320	13,203,320
TOTAL ASSETS	14,611,356	16,630,415
CURRENT LIABILITIES		
Trade and other payables	658,910	758,910
Borrowings	41,101	41,101
TOTAL CURRENT LIABILITIES	700,011	800,011
TOTAL LIABILITIES	700,011	800,011
NET ASSETS / (LIABILITIES)	13,911,345	15,830,404
EQUITY		
Issued capital	30,072,696	32,091,755
Reserves	778,429	778,429
Accumulated losses	(16,939,780)	(17,039,780)
Total equity attributable to the owners of the parent	13,911,345	15,830,404
Non-controlling interest	--	--
TOTAL EQUITY	13,911,345	15,830,404

The unaudited pro forma consolidated balance sheet as at 31 December 2014 represents the audit reviewed consolidated balance sheet as at 31 December 2014 based on the following assumptions and adjusted to account for the following:

- (a) The Offer was effective as at 31 December 2014;
- (b) No further Shares are issued (including by way of exercise of Options);

- (c) Completion of the Placement to raise \$1,019,059;
- (d) Completion of the SPP Offer to raise up to \$1,000,000; and
- (e) Expenses of the Offers of approximately \$100,000.

5.5 Effect on Capital Structure

The effect of the Offers on the capital structure of the Company, assuming all SPP Shares are issued and SPP Options and Placement Options are granted (subject to Shareholder approval at the General Meeting to be held on 10 June 2015 being obtained) is set out below.

Shares

	Number
Shares on issue at date of this Prospectus	315,233,768
Maximum Shares to be issued under the SPP Offer ¹	40,000,000
Shares to be issued to consultant (subject to Shareholder approval at the General Meeting)	1,055,174
Total Shares on issue after completion of the SPP Offer^{1 & 2}	356,288,942

1. Based on the SPP Offer being fully subscribed to a maximum of \$1,000,000.
2. The issue of 12,089,676 to Directors in lieu of Director's fees and salary (including 2,650,000 to Mr Peter Reeve under his Employment Agreement) has not been included in this table. The issue of these Shares to the Directors is subject to Shareholder approval being sought at the General Meeting and will not all be issued immediately upon Shareholder approval.

Options

Terms	Number
Exercisable at \$0.45 expiring on or before 31 March 2016	570,000
Exercisable at \$0.20 expiring on or before 31 May 2015	1,000,000
Exercisable at \$0.20 expiring on or before 4 December 2016	200,000
Exercisable at \$0.20 expiring on or before 13 July 2016	6,625,000
Exercisable at \$0.20 expiring on or before 13 January 2016	2,250,000
Exercisable at \$0.048 expiring on or before 6 March 2017	2,600,000
Exercisable at \$0.06 expiring on or before 1 September 2015	26,214,297
Number of Options on Issue prior to SPP Offer and Placement Offer	39,459,297
Placement Options ¹	20,381,170
SPP Offer Options ^{1, 2}	20,000,000

Terms	Number
Issue of Options to consultant ^{1 & 3}	12,500,000
Total number of Options to be issued	52,881,170
Number of Options on issue on completion of Placement Offer and SPP Offer^{2 & 4}	92,340,467

1. Subject to Shareholder approval.
2. Based the Company obtaining Shareholder approval for the issue under the SPP Offer, and on the SPP Offer being fully subscribed to a maximum of \$1,000,000 and the maximum number of Options (being 20,000,000) being issued under the SPP Offer.
3. Exercisable at \$0.07 and expiring three years from date of issue. The terms of the Options includes an exercise condition that the holder will be entitled to exercise the Options upon the Company, with the assistance of the holder, raising not less than \$1,500,000 in aggregate in the 12 month period expiring on 12 November 2015.
4. The issue of 35,000,000 Options to Mr Peter Reeve under his Employment Agreement has not been included in this table. The issue of these Options to him is subject to Shareholder approval being sought at the General Meeting.

Convertible Notes

Convertible Notes	Number
Convertible Note for \$75,000	1
Total number of Convertible Notes on issue	1

6. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

6.1 Placement Options and SPP Options

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.05 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (AEST) on the date that is 24 months from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to

ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under 6.1(g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Quoted**

The Company will apply for quotation of the Options on ASX.

(m) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

6.2 Shares

The following is a summary of the more significant rights and liabilities attaching to Shares (being the underlying securities of the free-attaching Options to be issued pursuant to this Prospectus). This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) **General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to

time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of Securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

7. RISK FACTORS

7.1 Introduction

The Shares and Options offered under this Prospectus are considered speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Shares and Options pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares and Options.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

7.2 Company specific

(a) Uranium risk

The Company is involved in exploring for uranium. Uranium mining is subject to extensive regulation by governments.

Nuclear energy is in direct competition with other more conventional sources of energy, which include gas, coal and hydro-electricity. Furthermore, any potential growth of the nuclear power industry (with any potential attendant increase in the demand for uranium) beyond its current level will depend on continued and increased acceptance of nuclear technology as a means of generating electricity.

The nuclear industry is currently subject to some negative public opinion owing to political, technological and environmental factors. This may have an adverse impact on the demand for uranium and increase the regulation of uranium mining.

(b) Sovereign Risk

The Company's key project is located in Mauritania which is considered to be a developing country and, as such, subject to emerging legal and political systems compared with the system in place in Australia.

Possible sovereign risks include, without limitation, changes in the terms of mining legislation, changes to royalty arrangements, changes to taxation rates and concessions and changes in the ability to enforce legal rights. Any of these factors may, in the future, adversely affect the financial performance of the Company and the market price of its shares.

No assurance can be given regarding future stability in this or any other country in which the Company may have an interest.

7.3 General Risks

(a) Operating

The operations of the Company may be affected by various factors, including failure to locate or identify uranium reserves, failure to achieve predicted metal or mineral product production rates, operational and technical difficulties encountered in production, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

No assurances can be given that the Company will achieve commercial viability through the successful evaluation and/or production of its project interests.

(b) Economic

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

(c) Market conditions

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) interest rates and inflation rates;
- (iii) changes in investor sentiment toward particular market sectors;
- (iv) the demand for, and supply of, capital; and
- (v) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(d) Dividends

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

(e) **Taxation**

The acquisition and disposal of Shares and Options will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares and Options from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares and Options under this Prospectus.

(f) **Reliance on key personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

(g) **Speculative Investments**

Mineral exploration and mining are speculative operations that may be hampered by circumstances beyond the control of the Company. Profitability depends on successful exploration and/or acquisition of reserves, design and construction of efficient processing facilities, competent operation and management and proficient financial management. Project development in itself is a speculative endeavour, while mining operations can be hampered by force majeure circumstances and cost overruns for unforeseen events.

(h) **Exploration, Mining and Evaluation Risks**

The success of the Company depends on the delineation of economically mineable reserves from its resources, access to required development capital, movement in the price of commodities, securing and maintaining title to the Company's exploration and mining tenements and obtaining all consents and approvals necessary for the conduct of its exploration, development and mining activities.

Exploration, evaluation and development on the Company's existing exploration and mining tenements may be unsuccessful, resulting in a reduction of the value of those tenements, diminution in the cash reserves of the Company and possible relinquishment of the exploration and mining tenements.

(i) **Commodity Price and Exchange Rate Risks**

To the extent the Company is involved in mineral production the revenue derived through the sale of commodities may expose the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, international prices of various commodities are denominated in US dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the exchange rate between the US dollar and the Australian dollar as determined in international markets.

(j) **Environmental Risks**

The operations and proposed activities of the Company are subject to the laws and regulation of all jurisdictions in which the Company is operating concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. The Company attempts to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

(k) **Native Title and Title Risks**

Interests in tenements are governed by the respective legislation in the jurisdiction in which the Company's tenements are located, and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments.

It is also possible that, in relation to tenements which the Company has an interest in or will in the future acquire such an interest; there may be areas over which legitimate common law native title rights exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be affected.

(l) **Joint Venture Parties, Agents and Contractors**

The Directors are unable to predict the risk of financial failure or default by a participant in any joint venture to which the Company is or may become a party or the insolvency or managerial failure by any of the contractors used by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used by the Company for any activity.

(m) **Future Capital Requirements**

The Company's activities will require substantial expenditures. There can be no assurances that the Company will have sufficient capital resources, or that it will be able to obtain additional resources on terms acceptable to the Company or at all. Any additional equity financing may be dilutive to shareholders and any debt financing if available may involve restrictive covenants, which limit the Company's operations and business strategy. The Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.

(n) **Potential Acquisitions**

As part of its business strategy, the Company may make acquisitions of or significant investments in companies, products, technologies or resource projects. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of companies, products or resource projects.

(o) **Resource Estimations**

Resource estimates are expressions of judgment based on knowledge, experience and resource modelling. As such, resource estimates are inherently imprecise and rely to some extent on interpretations made. Despite employing qualified professionals to prepare resource estimates, such estimates may nevertheless prove to be inaccurate. Furthermore, resource estimates may change over time as new information becomes available. Should the Company encounter mineralisation or geological formations different from those predicted by past drilling, sampling and interpretations, resource estimates may need to be altered in a way that could adversely affect the Company's operations.

7.4 Investment speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus

Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

8. ADDITIONAL INFORMATION

8.1 Litigation

As at the date of this Prospectus the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

8.2 Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the SPP Closing Date:

- (i) the annual financial report most recently lodged by the Company with the ASIC;
- (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
- (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
23/04/2015	Change in Substantial Holding
23/04/2015	708A Notice
23/04/2015	Appendix 3B
13/04/2015	Reinstatement to Official Quotation
13/04/2015	Capital Raising and SPP
13/04/2015	Suspension from Official Quotation
09/04/2015	Trading Halt
08/04/2015	Quarterly Activities Report & Appendix 5B
26/03/2015	Uranium Projects Presentation
25/03/2015	Investment Research Reports
16/03/2015	Half Year Accounts
06/03/2015	Change in substantial holding
05/03/2015	Tiris Project drilling commencement
30/01/2015	Quarterly Cashflow Report
30/01/2015	Quarterly Activities Report
27/01/2015	Change of Director's Interest Notices
22/12/2014	Change of Director's Interest Notices
22/12/2014	Appendix 3B
08/12/2014	Change of Director's Interest Notice (x3)
03/12/2014	London Mines and Money Presentation
27/11/2014	Results of Meeting
26/11/2014	AGM Presentation

Date	Description of Announcement
26/11/2014	AGM Chairman's address
26/11/2014	Board Changes
17/11/2014	Invitation to AGM
10/11/2014	Ceasing to be a substantial holder
07/11/2014	Change of Director's Interest Notice
31/10/2014	Quarterly Appendix 5B Report
31/10/2014	Quarterly Activities Report
24/10/2014	Notice of Annual General Meeting/Proxy Form
22/10/2014	Appendix 3B & 708A Notice
14/10/2014	Appendix 3B and 708A Notice
01/10/2014	Response to ASX Appendix 3Y Query
30/09/2014	Annual Report to shareholders

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.auraenergy.com.au.

8.3 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the last date of those sales were:

Highest	\$0.039	25 th March 2015
Lowest	\$0.023	20 th and 27 th April 2015
Last	\$0.024	30 April 2015

8.4 Hartleys Engagement Agreement

The Company and Hartleys have entered into a capital raising and corporate advisory engagement agreement (**Engagement**) for a 12 month term pursuant to which Hartleys will assist with corporate advice and capital raising services to meet its funding requirements.

Under the Engagement, until Hartleys has assisted the Company to raise not less than \$1.5 million in aggregate during the term (**Performance Milestone**), the Company will issue Hartleys' subsidiary Zenix Nominees Pty Ltd \$10,000 worth of Shares per month in lieu of standard monthly advisory fees. The Shares will be issued at the end of each three month term either out of the Company's 15% capacity or with shareholder approval if required. The Company is seeking Shareholder approval at the General Meeting for the issue of 1,055,174 Shares in lieu of outstanding monthly advisory fees for December 2014 and January and February 2015.

Once the Performance Milestone is satisfied, the Company will commence paying Hartleys a monthly advisory fee of \$10,000 per month for the remainder of the term of the Engagement.

In addition, and subject to shareholder approval, the Company will issue Hartleys 12,500,000 Options which shall vest upon satisfaction of Hartleys assisting the Company to raise \$1,500,000 during the term of the Engagement.

In relation to capital raising initiatives, Hartleys will be offered first right of refusal to act as sole lead broker in respect of any capital raising and shall be paid a capital raising fee of 6% plus GST pursuant to any capital raising.

8.5 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Offers.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, is set out in the table below.

Director	Shares ⁵	Options
Peter Reeve ¹	4,537,469	4,333,104
Dr Bob Beeson ²	4,615,623	2,291,667
Brett Fraser ³	3,569,461	901,000
Julian Perkins ⁴	1,831,600	1,392,595

Notes:

1. Mr Reeves securities are held by him directly. The Options comprise 2,000,000 20 cent Options expiring 13/7/2016, 2,250,000 20 cent Options expiring 13/1/2016 and 83,104 6 cent Options expiring 13/7/2016.

2. Dr Beeson holds 2,143,122 Shares and 2,125,000 Options directly. 2,472,501 Shares and 166,667 Options are held indirectly through Robert & Patricia Ann Beeson as trustee for the Beeson

Superannuation Fund. The Options comprise 2,125,000 20 cent Options expiring 13/7/2016 and 166,667 6 cent Options expiring 1/9/2015.

3. Mr Fraser holds 546,965 Shares and 625,000 Options directly. The Options comprise 625,000 20 cent Options expiring 13/7/2016. Mr Fraser holds the following Shares and Options indirectly: 1,429,168 Shares and 142,917 6 cent Options expiring 1/9/2015 through Pinewood Asset Pty Ltd; 1,330,828 Shares and 133,083 6 cent Options expiring 1/9/2016 through Tyler Street Holdings Pty Ltd and 262,500 Shares through WSG Capital Pty Ltd.

4. Mr Perkins indirectly holds 1,831,600 Shares, 1,250,000 20 cent Options expiring 13/7/2016, 50,000 45 cent Options expiring 31/3/2016 and 92,595 6 cent Options expiring 1/9/2015 through Julian Perkins and Margaret Fong as trustee for the Fong Superannuation Fund Account.

5. The Shares set out in the table above are the Shares held by Directors at the date of this Prospectus. The Company has agreed to issue Shares to the Directors in lieu of accrued and future Directors' fees which is subject to Shareholder approval at the General Meeting. Further details of the number of Shares to be issued to the Directors is set out in the Notice of Meeting.

The Board advises that no Directors will be acquiring any SPP Shares or SPP Options or Placement Options issued pursuant to this Prospectus.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$200,000 per annum.

A Director may be paid fees or other amounts (ie non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

Director	Year ended 30 June 2013 (\$)	Year ending 30 June 2014 (\$)	Year ending 30 June 2015 (\$)
Peter Reeve	Nil	\$113,868	\$410,333
Dr Bob Beeson	\$340,292	\$329,718	\$194,700
Brett Fraser	\$128,834	\$72,443	\$65,000
Julian Perkins	\$91,265	\$68,785	\$59,583

Note:

1. Remuneration for the financial year ended 2014 includes equity based payments to Directors in lieu of salary and Director fees which was approved by Shareholders on 26 November 2014.

8.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offers; or
- (f) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offers.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$15,000 (excluding GST and disbursements) for these services.

Hartleys Limited has acted as corporate advisors to the Company in relation to the Placement Offer and SPP Offer and has entered into an engagement agreement with the Company. Further details regarding the fees to be paid and securities to be issued to Hartleys is set out in section 8.4.

8.7 Consents

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Hartleys Limited has given its written consent to being named as the corporate advisors to the Company in this Prospectus. Hartleys Limited has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

8.8 Expenses of the Offers

In the event that all Shares and Options are subscribed for, the total expenses of the Offers are estimated to be approximately \$100,000 (excluding GST), comprising ASIC fees, ASX fees, legal fees and printing and distribution fees.

	\$
ASIC fees	2,290
ASX fees	15,900
Legal fees	15,000
Broker Placement fees	60,000
Miscellaneous	6,810
Total	\$100,000

8.9 Electronic prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus. If you have not, please phone the Company on +61 3 9890 1744 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at www.auraenergy.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

8.10 Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

8.11 Privacy Act

If you complete an application for Shares, Options and Class A Options you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers,

regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares and Options the Company may not be able to accept or process your application.

9. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

**For and on behalf of
Aura Energy Limited**

10. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

Applicant means a Subscriber who applies for Shares and/or Options pursuant to the Offers.

Application Form means an application form in respect of either the Placement Offer, the SPP Offer, or the Shortfall Offer (as applicable).

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors of the Company unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Company means Aura Energy Limited (ACN 115 927 681).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

Eligible Shareholders means Shareholders who were registered holders of Shares on the SPP Record Date.

Entitlement means the entitlement of an Eligible Shareholder who is eligible to participate in the SPP Offer.

General Meeting means the General Meeting to be held on 10 June 2015.

Notice of Meeting means the notice of meeting to be despatched to Shareholders for the General Meeting.

Offers means the SPP Offer and the Placement Offer the subject of this Prospectus.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share on the terms and conditions set out in Section 6.1 of this Prospectus.

Placement means the placement of 40,762,340 Shares at an issue price of \$0.025 per Share to sophisticated and professional investors together with one free attaching listed Option (exercisable at 5 cents each on or before the date

which is 24 months from the date of issue) for every two Shares subscribed for under the Placement.

Placement Application Form means the application form attached to this Prospectus to be completed in respect of subscription for Options pursuant to the Placement Offer.

Placement Offer has the meaning given in section 4.1.

Placement Options has the meaning given in section 4.1.

Placement Shares means the Shares issued pursuant to the Placement.

Placement Subscribers means subscribers of Placement Shares.

Prospectus means this prospectus.

Securities means Shares and Options, together.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Shortfall Offer has the meaning given in section 4.6.

Shortfall Securities Application Form has the meaning given in section 4.5.

SPP Closing Date means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).

SPP Acceptance Form means the application form attached to this Prospectus to be completed in respect of subscription for Shares and Options pursuant to the SPP Offer.

SPP Offer has the meaning given in section 4.1.

SPP Options means Options to be issued on a 1 for 2 basis to subscribers of SPP Shares pursuant to the SPP Offer and otherwise defined in section 4.1.

SPP Record Date means 10 April 2015.

SPP Shares means the 40,000,000 Shares to be offered under the SPP Offer and otherwise defined in section 4.1.

SPP Shortfall Securities has the meaning given in section 4.6.

WST means Western Standard Time as observed in Perth, Western Australia.