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UPDATED SCOPING STUDY FURTHER SUPPORTS HÄGGÅN PROJECT VIABILITY

HIGHLIGHTS

- **Revised Scoping Study financial model prepared by independent consultants RMDSTEM confirms Häggån Project is financially robust**
- **Revisions significantly enhance project economics with pre-tax NPV10 of US$1.85B at a U_3O_8 price of $US65/lb**
- **Annual production rate of 7.8Mlbs (3,538t) of U_3O_8, which would place Häggån in top five current & planned uranium producers**
- **IRR of 49% with payback of less than 5 years, or 17% of project life**
- **Häggån amongst lowest cost uranium operations globally demonstrated by:**
  - **Operating costs US$13/lb U_3O_8 when nickel & molybdenum treated as by-products**
  - **Operating costs US$26/lb U_3O_8 when nickel & molybdenum treated as uranium equivalent**
- **Financially robust at current spot U_3O_8 prices of $52/lb**

Headquartered in Melbourne and listed on the ASX, Aura Energy (AEE) is an explorer and developer of uranium assets. The company has advanced uranium projects with large resources that are close to the surface in both Europe and Africa and also has a resource in Australia. Aura holds a total of 688 million pounds (312,071 tonnes) uranium in inferred resources. Its two main projects include: the Häggån Project located in Sweden's Alum Shale Province, one of the largest depositories of uranium in the world; and the highly prospective Reguibat Province in Mauritania. The company aims to create shareholder value by completing feasibility studies on these two projects.

On 7 February 2012 Aura Energy Ltd (ASX: AEE, Aura) announced the results of an independent scoping study on the Häggån multi-metal deposit in Sweden. Aura has now completed, jointly with independent consultants RMDSTEM Limited, a thorough audit of the study to validate the detailed inputs and outputs of the economic model

The Häggån project is based on a very extensive, near-flat-lying sheet of mineralisation averaging 108 metres in thickness. The current inferred resource estimate contains 631 million pounds U_30_8 as well as nickel and molybdenum (see resource statement following) placing it amongst the top five undeveloped uranium resources in the world. The project lends itself to large scale, low cost open pit mining and heap leaching.

An audit of the original Scoping Study led to revision of the revenue assumptions employed in the financial model to more accurately reflect market pricing of uranium oxide (U_30_8), resulting in a substantial enhancement of project economics.

The key outputs of the Revised Scoping Study are as follows:

- NPV10 - US$1.85B
- IRR - 49%
- Pre-production capital - US$537M
- Sustaining capital (annual) - US$18Mpa
- Payback - 4.2 years
- Operating cost -
  - US$13/lb U_30_8 when nickel and molybdenum treated as by-products
  - US$26/lb U_30_8 when nickel and molybdenum are included as U_3O_8 equivalents
- Annual Production - 7.8Mlbs U_30_8, 14.8Mlbs Ni, 4.3Mlbs MoO_3

The key assumptions employed in the Revised Scoping Study are set out in the appendix.

The Revised Scoping Study is based on a nominal 30 million tonnes per year open cut mining operation followed by bio-heap leaching and with an initial mine life of 25 years.

Metal recovery assumptions are supported by bench scale metallurgical testwork performed at ANSTO Minerals and the Parker Cooperative Research Centre for Hydrometallurgy.

Aura's Managing Director, Dr Bob Beeson stated, "The auditing process for the Scoping Study model for Häggån identified a number of areas where there was sound justification for revision of the economic model inputs. These changes directly increased the financial robustness of the project.

"If the assumptions used in the financial model are supported by further work then Häggån has the potential to be among the largest, lowest cost uranium operations anywhere.

"Aura has a massive resource of uranium in the Häggån project, with the value also supported by significant production potential for nickel and molybdenum. The bio-heap leach technology that Aura has brought to the project will enable us to extract these metals profitably, and at very low-cost."

Going Forward

The positive Scoping Study results strongly support the further development of the Häggån Project. Planning for a pre-feasibility study has commenced and preliminary metallurgical testwork is underway. A program of 10 bacterial column leach tests is running on schedule at SGS Laboratories in Perth and results are expected early in the first quarter of the new financial year.

Aura has also generated sufficient material for the next phase of metallurgical testing in this year's drilling programme in Sweden.

The Company has mandated Gresham Advisory Partners to seek a strategic partner for the development of this world class project.

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KEY MODEL INPUTS

Recovery Item	Value	Source
Uranium	75%	Parker CRC test work
Nickel	68%	Parker CRC test work
Molybdenum	25%	Parker CRC test work
Acid Requirement	*4.6kg/t*	*Parker CRC test work*

Item	Value	Unit
	Commodities	
U_3O_8	65	USD/lb
Ni	7.9	USD/lb
MoO_3	16	USD/lb
V_2O_5	8.5	USD/lb
	Others	
Electricity	0.50	kWh
NaHS	450	USD/t
Sulphuric Acid	250	USD/t

HÄGGÅN RESOURCE STATEMENT

Cutoff U_3O_8 ppm	Tonnes, Bn[1]	U_3O_8 ppm	MoO_3 ppm	Ni ppm	Zn ppm
100	**1.79**	**160**	**214**	**324**	**454**

Competent Persons for Häggån Resource

Mr. Simon Gatehouse takes responsibility for estimation of uranium and associated metals in the Häggån Resource. This work was completed while Mr. Gatehouse was a consultant geologist, and a fulltime staff member of H&S. He is a competent person in the meaning of JORC having had a minimum of five years relevant experience in exploration and estimation of uranium and other metal resources in many parts of the world. He is a member of the Australian Institute of Geoscientists. Mr. Gatehouse consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Dr Robert Beeson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking. This qualifies Dr Beeson as a Competent Person as defined in the 2004 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Robert Beeson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Dr Beeson is a member of the Australian Institute of Geoscientists. Dr Beeson takes responsibility for the requirement of "reasonable prospects for eventual economic extraction" for the reporting of Häggån Resources at the quoted cut-off grades.

[1] Billion