

14 April 2014

REGUIBAT SCOPING STUDY PROGRESSING STRONGLY FOR A JUNE COMPLETION

STUDY IS HIGHLIGHTING ITS EXCEPTIONAL CHARACTERISTICS RELATIVE TO ALL OTHER CALCRETE URANIUM PROJECTS

Aura Energy Ltd (ASX code: AEE) is pleased to advise that the Reguibat Project Scoping Study, which is targeting a low capex/opcost and rapid payback project, is on track for completion in June.

The Reguibat Project in Mauritania has exceptional natural characteristics that can make it one of the most exciting uranium projects currently moving towards development.

These characteristics allow a 700% uranium upgrade step using simple well-tried technology, rejecting 89% of the mass, while retaining 86% of the uranium^b. This is an order of magnitude improvement better than most other calcrete uranium mines.

The Project's key additional characteristics are:

- The mineralisation occurs right at surface – no stripping
- High grade areas at surface can be selected in the early years for rapid payback
- It has the fastest leach characteristics of any published calcrete project
- It is in developing country that has enthusiastically embraced mining as a means of growth
- The beneficiation upgrade will allow a simple operation with a small footprint, low capital cost and rapid development to production

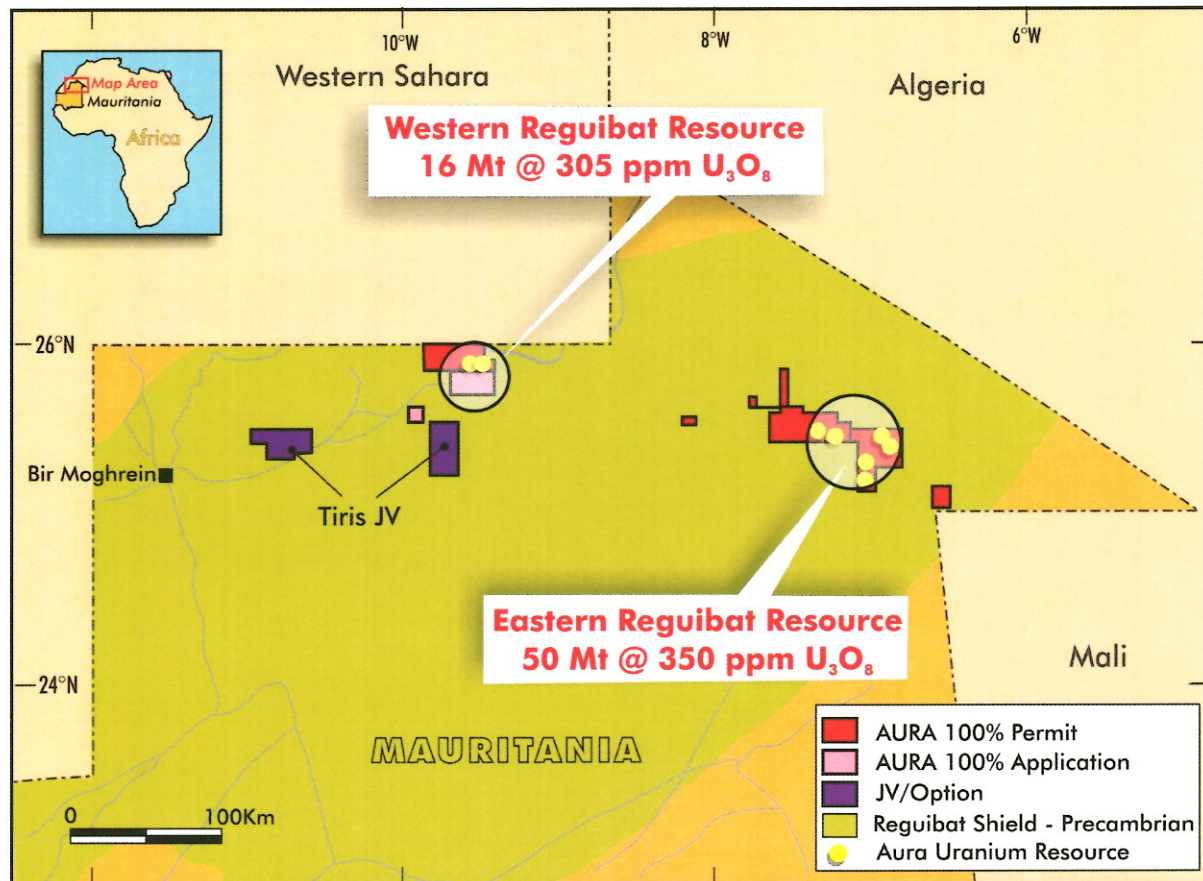


The Reguibat Scoping Study comprises the following components:

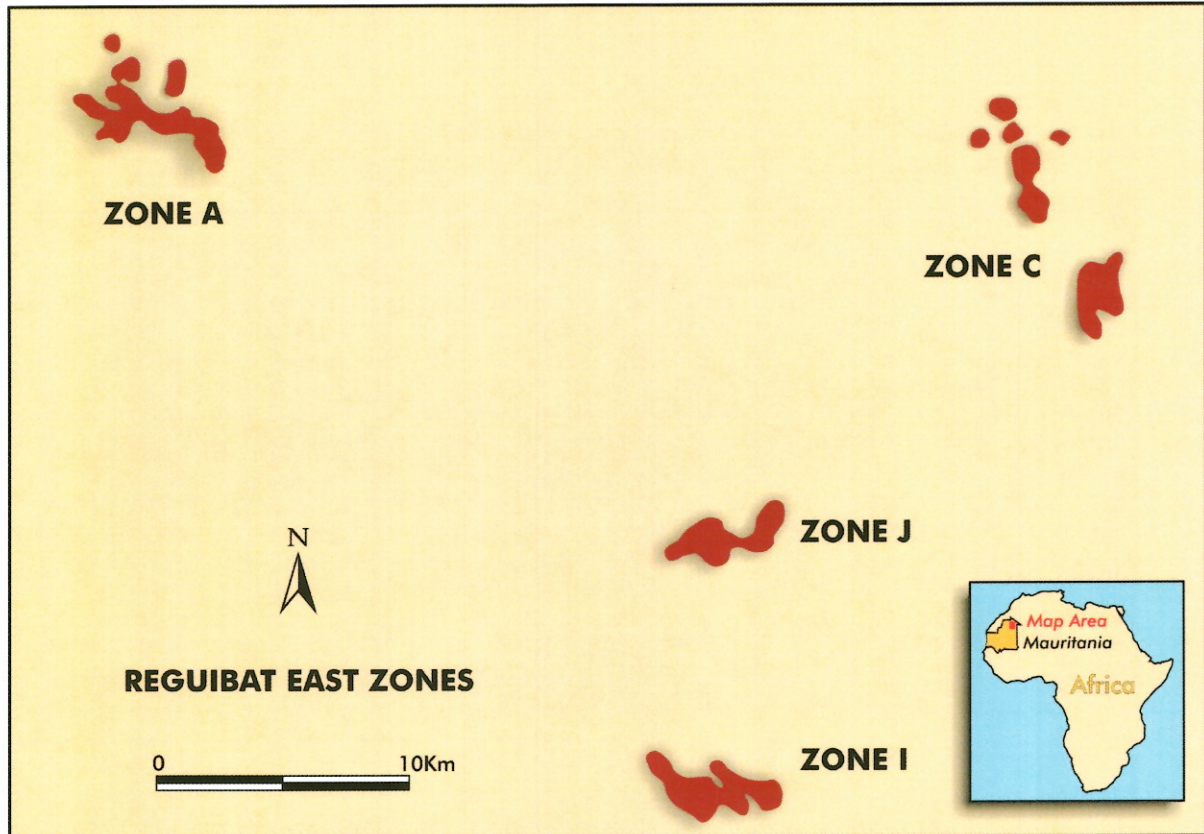
Uranium Resources

Aura has an Inferred Resource of 66 million tonnes at 334ppm U_3O_8 , at a 100ppm cut-off, at its Reguibat Project^a, for a contained uranium content of 49 million pounds of U_3O_8 . In addition radiometric surveys identify several anomalous areas which have yet to be drilled, or are drilled and not in resources. Consequently Aura has an Exploration Target of an additional 50 million pounds of U_3O_8 .

The resource occurs in discrete zones, with the first zone to be concentrated on being Reguibat Zone A. At Zone A, 26% of drill holes have average grade intersections of >500ppm U_3O_8 . At a higher, 300 ppm cut-off, Zone A contains 11.5Mt @ 430ppm U_3O_8 .



Aura has commissioned its resource consultant to upgrade part of the existing Inferred Resource to Indicated status based on more detailed drilling completed subsequent to the initial resource estimate. This work is expected to be completed this month.



Mining

Mining at Reguibat will be straightforward. Most of the mineralisation in the Reguibat Project occurs in a single sheet within four metres of the surface. Individual sheets of mineralisation are up to four kilometres in length and 700 metres in width.

The material is soft and friable, and can be readily dug by scrapers and shovels.

The Project is anticipated to have an exceptionally low strip ratio in the range 0.2-0.3.

Beneficiation

Aura's beneficiation upgrade test results for its Reguibat Project have provided exceptional results, indicating that more than 89% of the mass is rejected, while retaining 86% of the uranium^b. This represents a 700% increase in the grade of the samples tested to 2,500ppm (0.25%) U₃O₈. This beneficiated grade increase is achieved using simple scrubbing and screening.

The presence of the uranium as carnotite in the fine fractions, and the difference in grain size between carnotite and the host rock minerals, explains the positive beneficiation results to date. There is also potential that this size difference may result in even higher grade products by refinement of the size fractioning.

Leach plant

Preliminary leach testwork of beneficiated Reguibat material achieved 94% uranium extraction within 4 hours^c. This compares, for example, with the 92% extraction in 36 hours at Paladin's Langer

Heinrich Project reported in public data prior to the commencement of operations. This is a result of the very fine grained nature of the uranium mineralisation.

Simple atmospheric alkaline leaching has been selected as the most likely leaching route based on previous diagnostic leaching testwork. Test work to date suggests acceptable levels of reagent consumption, given the high grade of the beneficiated feed material.

The impact of the beneficiation on reducing the size of the leaching and precipitation parts of the extraction circuit will have a large impact on plant size and costs.

Water supply

The small leach plant size will greatly reduce the water requirement, and recycling of water will be maximised.

Aura has commissioned Golder Associates, a group with extensive experience in this part of Mauritania, to complete a study of available water supplies.

For further information contact:

Dr Bob Beeson

Managing Director

Phone +61 (0)3 9890 1744

info@auraenergy.com.au

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: First uranium resource in Mauritania, 19/07/2011
- b. Aura Energy Ltd release to the Australian Stock Exchange: Further Reguibat Project Tests Provide Exceptional Results, 2/12/13
- c. Aura Energy Ltd release to the Australian Stock Exchange: First Reguibat Project Leach Test Results, 8/10/13