Aura Energy Limited – ASX: AEE

Developing High Margin Uranium Projects

Reguibat Scoping Study – breakeven U price well below contract price

Peter Reeve - Chairman

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- *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.*

Aura Energy Summary

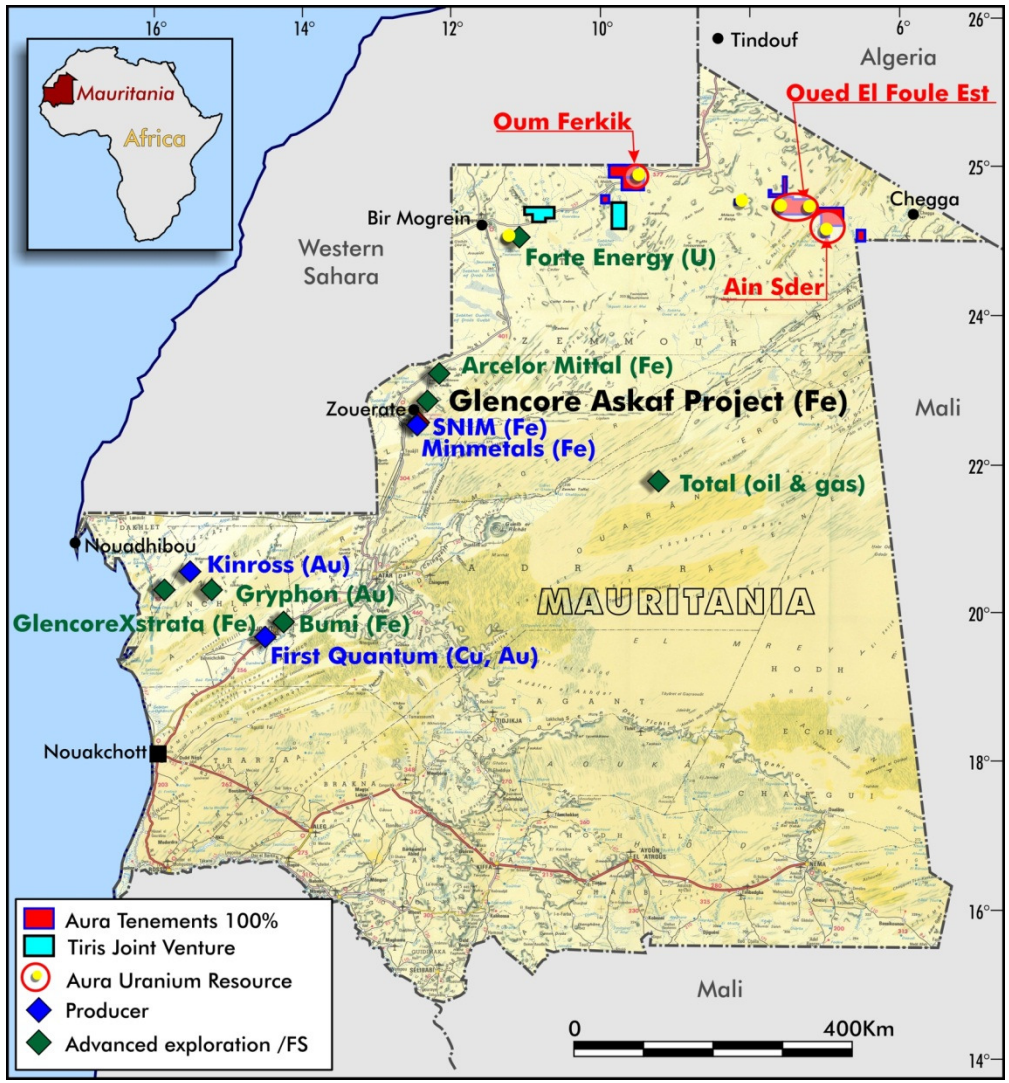
- Aura holds a globally significant uranium resource base in 2 projects;
  - Häggån 800Mlbs - Sweden
  - Reguibat 50 Mlbs – Mauritania
- Reguibat project provides near term production & cashflow
- New Scoping Study indicates a low capex/low opex Project;
  - Cash cost US$30/lb U_3O_8
  - Breakeven price of less than US$37/lb U_3O_8

- Häggån presents a large long term value option - Scoping Study completed
- Project innovation sets Aura apart from others
  - Reguibat beneficiation gives 700% grade increase ~2500ppm plus
  - Häggån bacterial heap leach gives $13.50/lb cash costs incl credits
- Excellent pre production assets for expected Uranium price recovery

Reguibat Project – Moving Aura to Cashflow

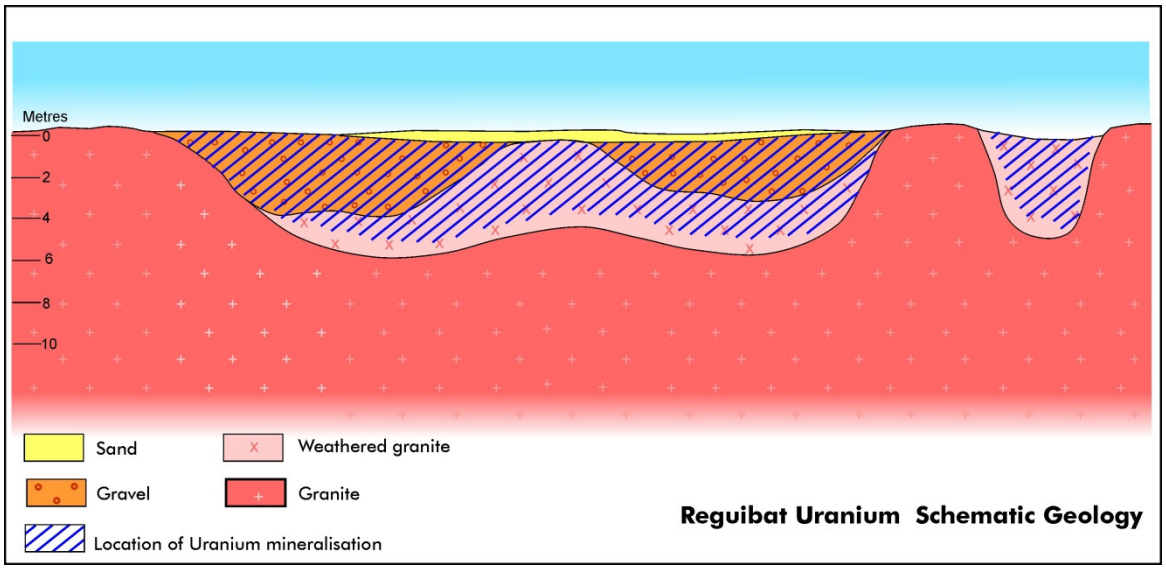
- Shallow easily mined 49 Mlb calcrete uranium resource
- Inferred Resource - 66 Mt @ 334ppm U_3O_8
- Beneficiation results in;
  - 700% uranium upgrade uses simple well-tried technology
  - Rejects 89% of the mass, while retaining 86% of the uranium
  - Transforms to approximately 12Mt @ ~2500ppm plus
  - Significant reduction in process plant footprint
  - Capital and operating costs greatly reduced
- Scoping Study completed this month;
  - <$50 million capex
  - $30/lb opex
  - Strong cashflow
  - Current Study only utilises 20% of Resources
- Seminal point in company's evolution
- Decision to mine in 12-18 months subject to funding

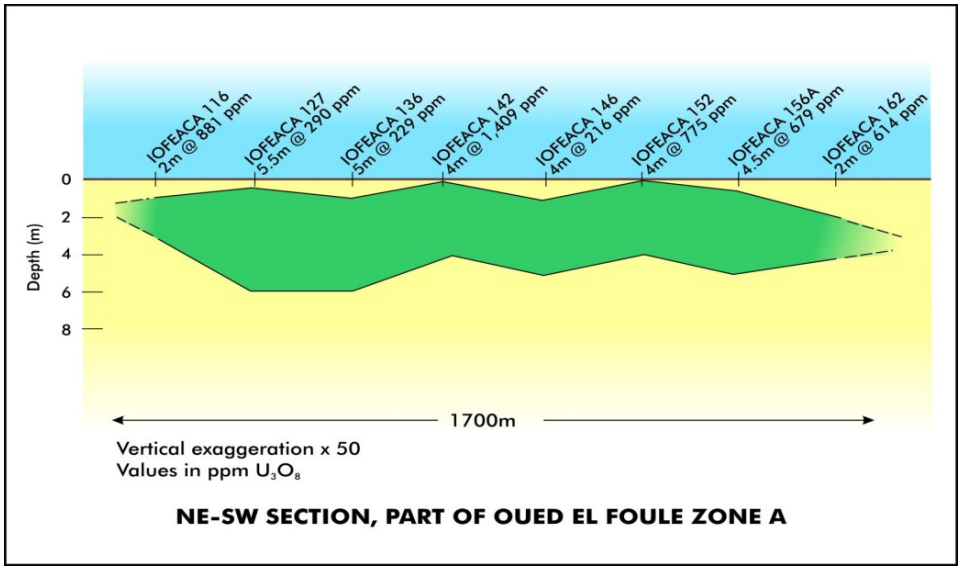
Mauritania – a mining country attracting substantial investment



Shallow Trenching Reveals Mineralisation

Uranium mineralisation occurs within gravels and weathered granite within a few metres of the surface





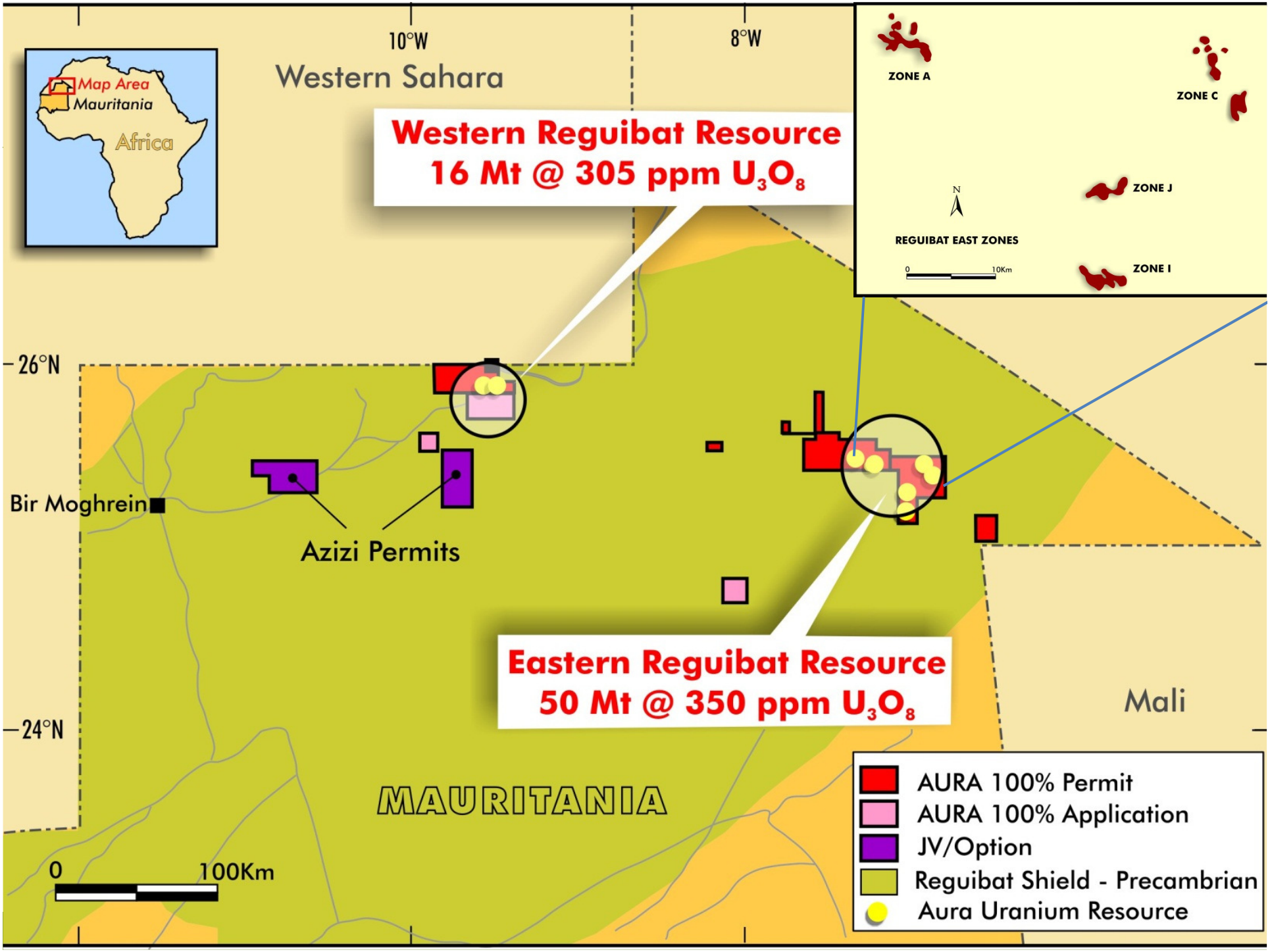
Resources

Indicated and Inferred Resources for the Reguibat Project at a 100ppm U_3O_8 cut-off grade

	Cut-off grade	Tonnes	Grade (ppm)	Mlbs. U_3O_8
Total Indicated & Inferred	100	66	334	49
Indicated	100	2	300	2
Inferred	100	64	335	47

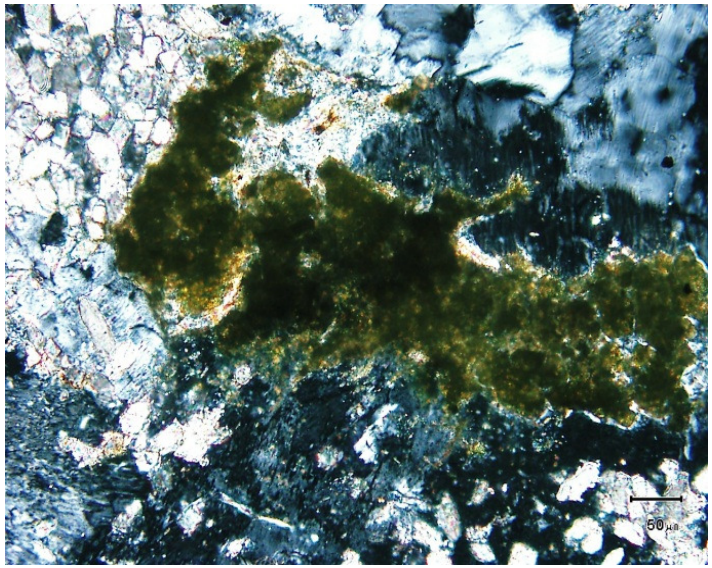
Indicated and Inferred Resources for the Reguibat Project at a 300ppm U_3O_8 cut-off grade

	Cut-off grade	Tonnes	Grade (ppm)	Mlbs. U_3O_8
Total Indicated & Inferred	300	35	423	32
Indicated	300	1	389	1
Inferred	300	34	424	31


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

Simple beneficiation increases the grade of the mineralisation by up to nine times

- Simple scrubbing and screening tests to remove coarse fractions of samples
- Exceptionally successful because of the very fine grain size of the uranium mineral carnotite and the coarse nature of the host rock
- 89% of the mass could be rejected, while retaining 86% of the uranium
- The average concentration of the product was 2,476ppm U_3O_8.
  - This represents an upgrade factor of 7
- Detailed mineralogy demonstrates that the carnotite occurs as extremely fine, liberated grains.
- The sulphate mineral content of the fine fractions was low.



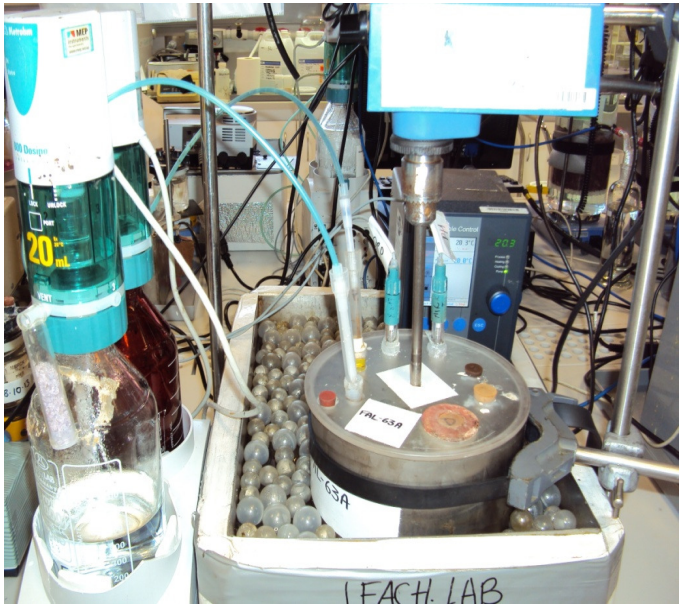
Rapid leaching of uranium concentrate

The beneficiated Reguibat material was leached independently at ANSTO Minerals using atmospheric alkaline leaching typical of industry conditions.

The first leach tests provided excellent results as follows;

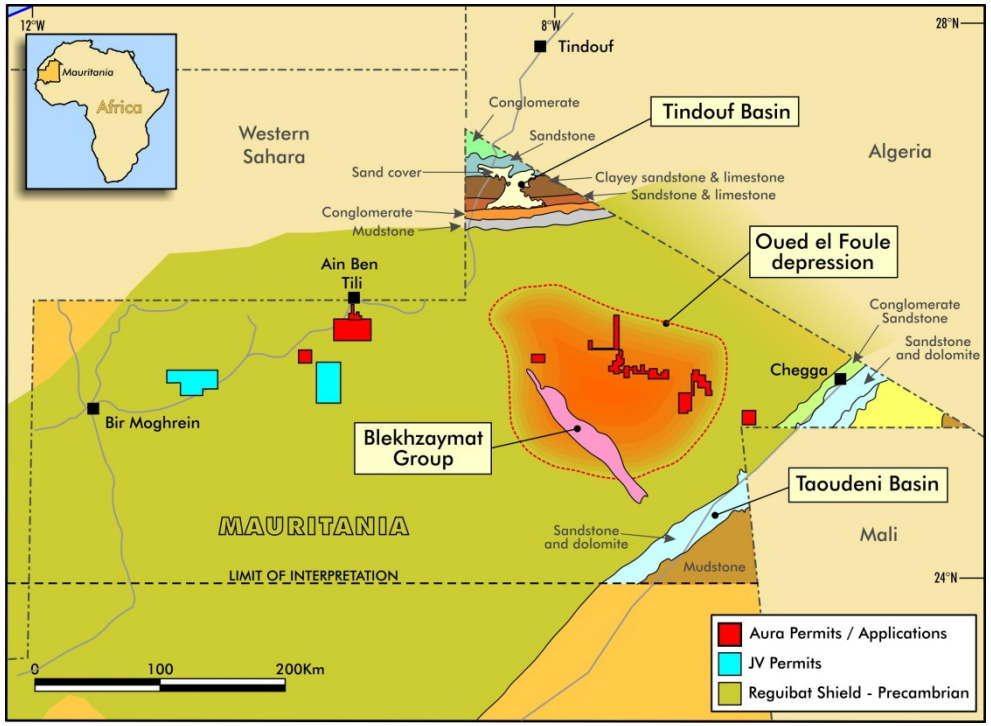
- 94% uranium extraction within 4 hours
- Moderate reagent consumption given high feed grade of material
- Finer size fractions may see improved leach results

- By comparison Paladin's Langer Heinrich Project testwork indicated 92% extraction in 36 hours pre-development, and Lake Maitland 24 hours



Water supply

- Water source study completed by Golder Associates
- First target for water is a large, shallow depression on the Reguibat Shield surrounding the Project
  - Lowest point a few kilometres from the Project
- Second target is the northern edge of the Taoudeni Basin (in pale blue on the map) - the same source as the iron ore mines at Zouerate (Glencore, SNIM)



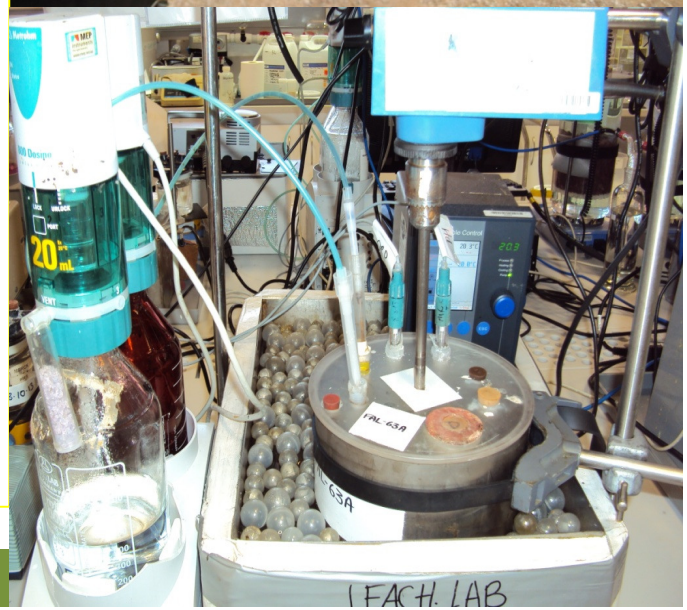
Reguibat Project Concept

- High volume shallow mining
- Approx. 120 tph (1.0 Mtpa)
- Grades of >420ppm U_3O_8 for 15 years
- Small relocatable beneficiation plant
- Small central leach facility ~ 25 tph
- Leach feed grade of 2500ppm U_3O_8

- Produce 0.7-1.1 Mlbs U_3O_8 per year

- Maintain smallest possible project footprint
- Minimise water use with dry sizing if possible
- Explore processing beneficiated material elsewhere

- Expand project from cashflow
- Convert known anomalies to achieve a 100Mlb uranium Resource

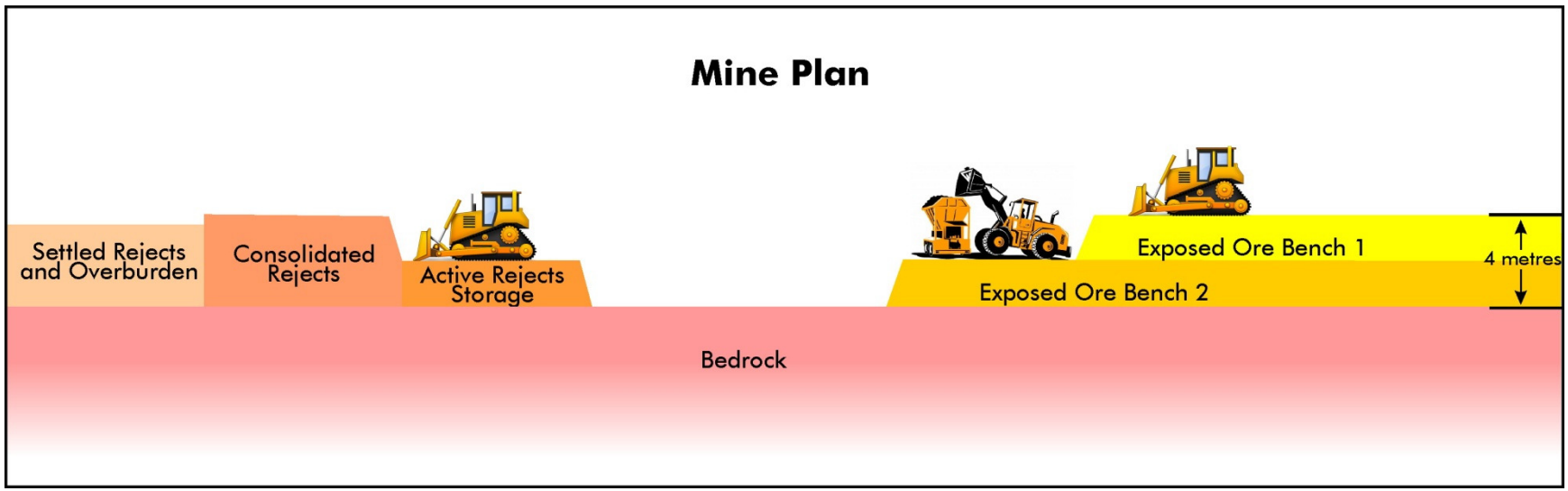


Scoping Study completed

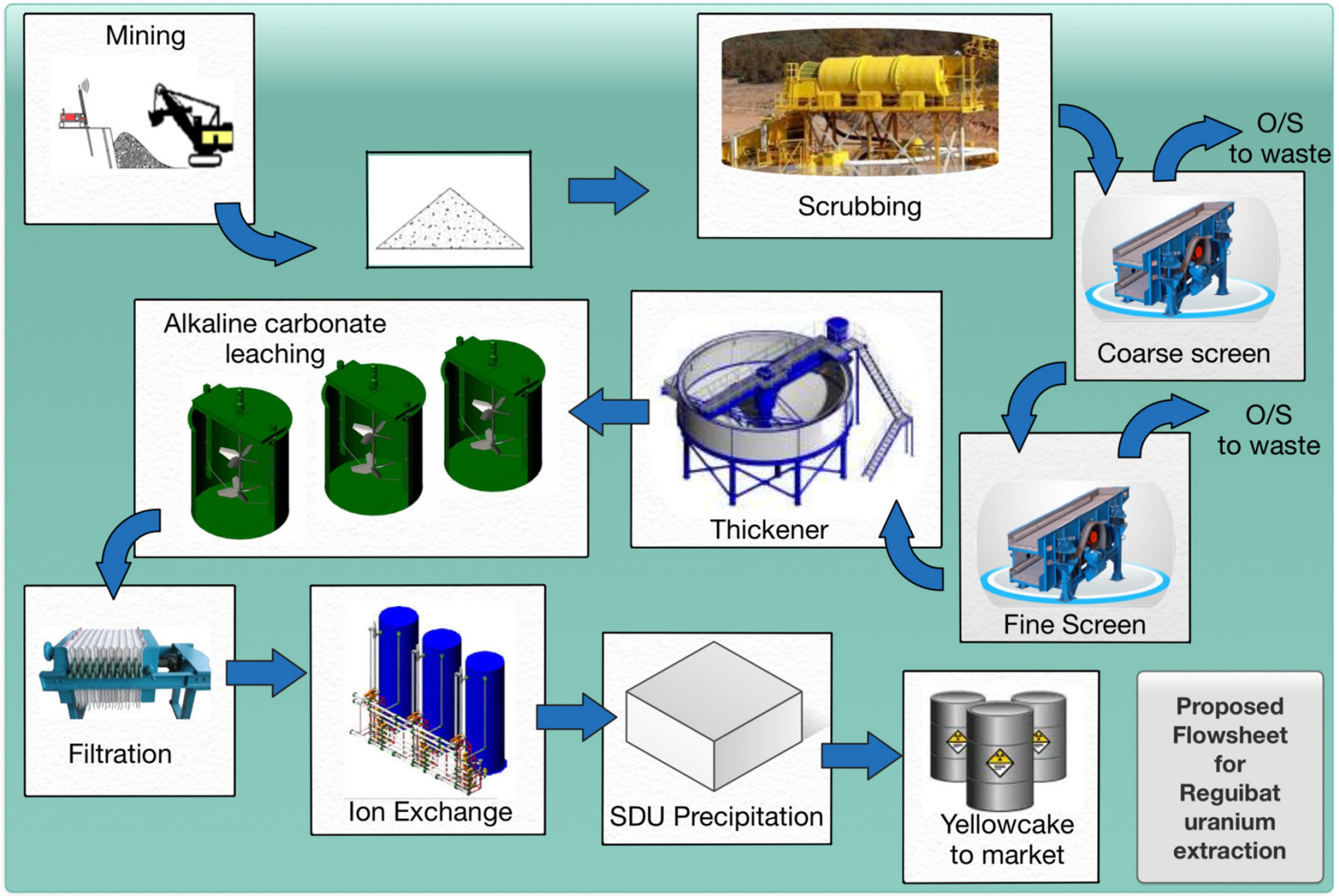
Consultants and advisors

- Tenova Mining & Minerals (Australia) Pty Ltd: Process flow sheet, capital cost, operating cost validation
- ANSTO Minerals: Leach testwork
- Metcon Ltd: Beneficiation
- Coffey Mining Ltd: Mineral resources
- Golder Associates: Water supply
- Ian Wark Institute: Mineralogy
- Pontifex and Associates: Mineralogy

Simple mine plan
Rejects back in the pit

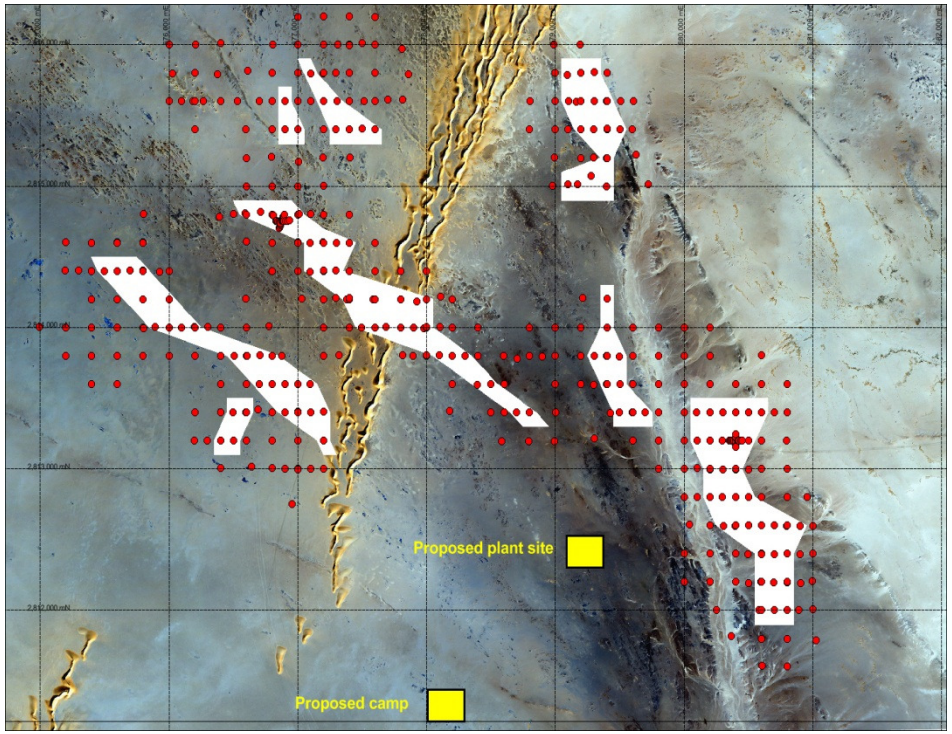


Detailed flow sheet



Capital costs minimised for this flow sheet

- Simple and well tested technologies
- No grinding
- Small leach plant
- Capex US$45 million
- Comparable capital cost to ISL operations of a similar scale



Scoping Study assumptions

Project assumptions

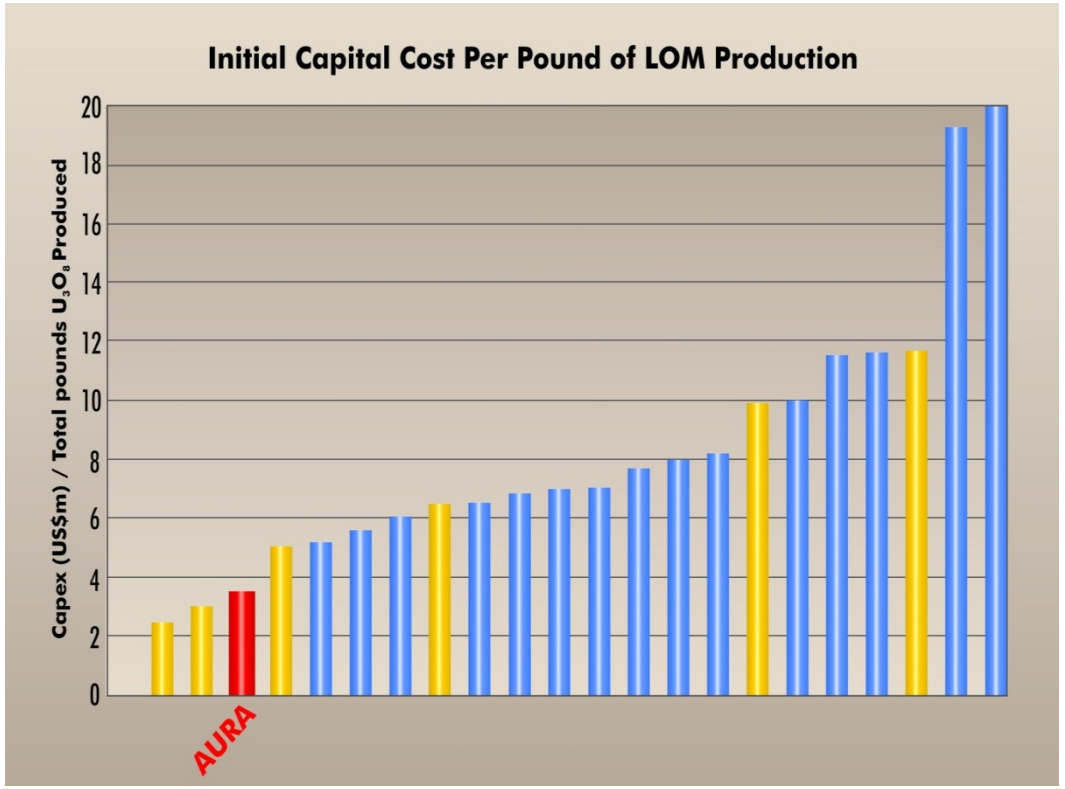
- Contract mining;
- Mining rate 1 Mtpa of ore, with total material movement of 1.25 Mtpa;
- Mining by scraper, shovel and truck;
- Mining cost A$2.00/t mined;
- Maximum haul distance at OEFE Zone A of 3km, average 2 km;
- Transport A$0.20/t km; Rail $0.10/t km
- Scrubbing and screening will reject 80% of the ore feed to the plant;
- Leach plant feed rate 200,000 tpa;
- Initial operation at OEFE Zone A;
- Scrubbing and screening plant uranium recovery 85%;
- Leach uranium recovery 94%;

Economic assumptions:

- Capital cost: ~A$50 M
- Uranium price: US$65.00/lb. U_3O_8
- Bicarbonate A$250.00/t
- Power cost: A$250/MWh;
- Site G&A: US$2.00/t ore mined;

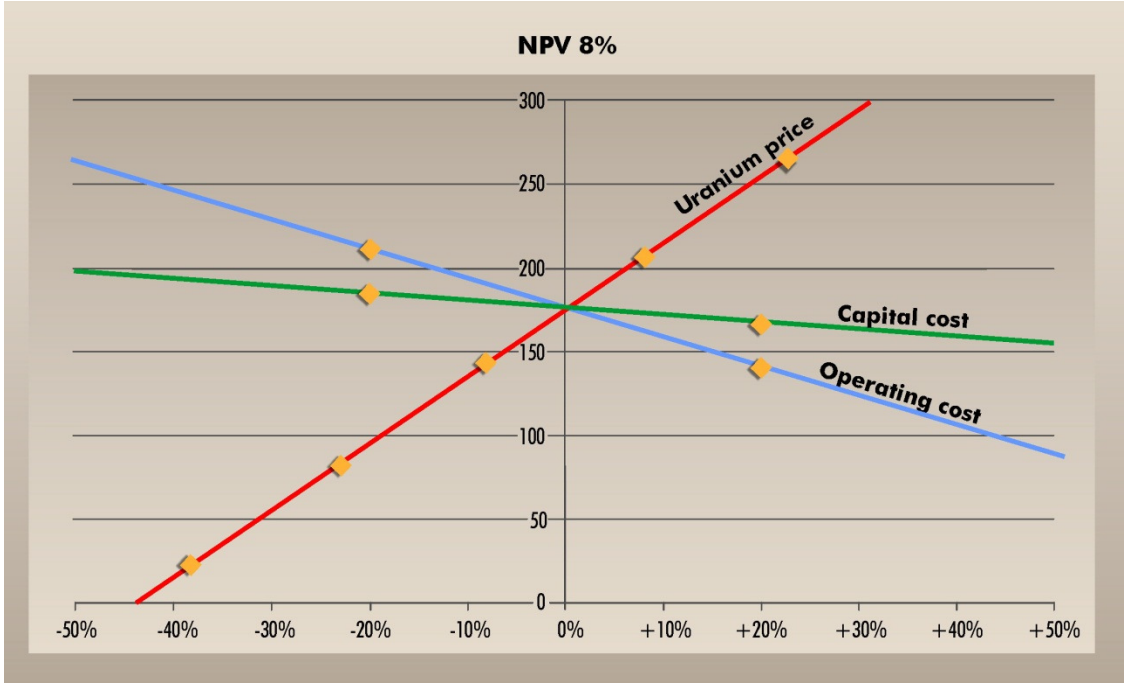
Reguibat: a Project with robust financial characteristics

- Cumulative pre tax cashflow over the 15 year mine life of $360 M
- Internal rate of return of 78% before tax and royalties.
- Breakeven price for the Project is US$37/Lb U_3O_8
- This makes it among the lowest-cost uranium projects currently being developed.



Project sensitivities

- Project value changes little with changes in capital cost
- The Project is sensitive to changes in operating cost
- And, as anticipated, particularly the uranium price.



Lake Maitland Deal as a valuation for Reguibat

- Toro Energy purchased Mega's Lake Maitland deposit in August 2013
- Toro paid $37 million in an all scrip deal (TOE market cap $106m)
- Lake Maitland 28.7Mt @ 376ppm U_3O_8 (24Mlbs)
- This equates to A$1.54/lb.
- Aura has 66 Mt @ 334ppm U_3O_8 at Reguibat - similar grade, but twice as much uranium (49Mlbs)
- No beneficiation upgrade at Lake Maitland, and slow leaching
- Values Reguibat project alone at $75m (current market cap $6m)
  - Häggån as a free option

Häggån Project – Long Life, High Margin U_3O_8

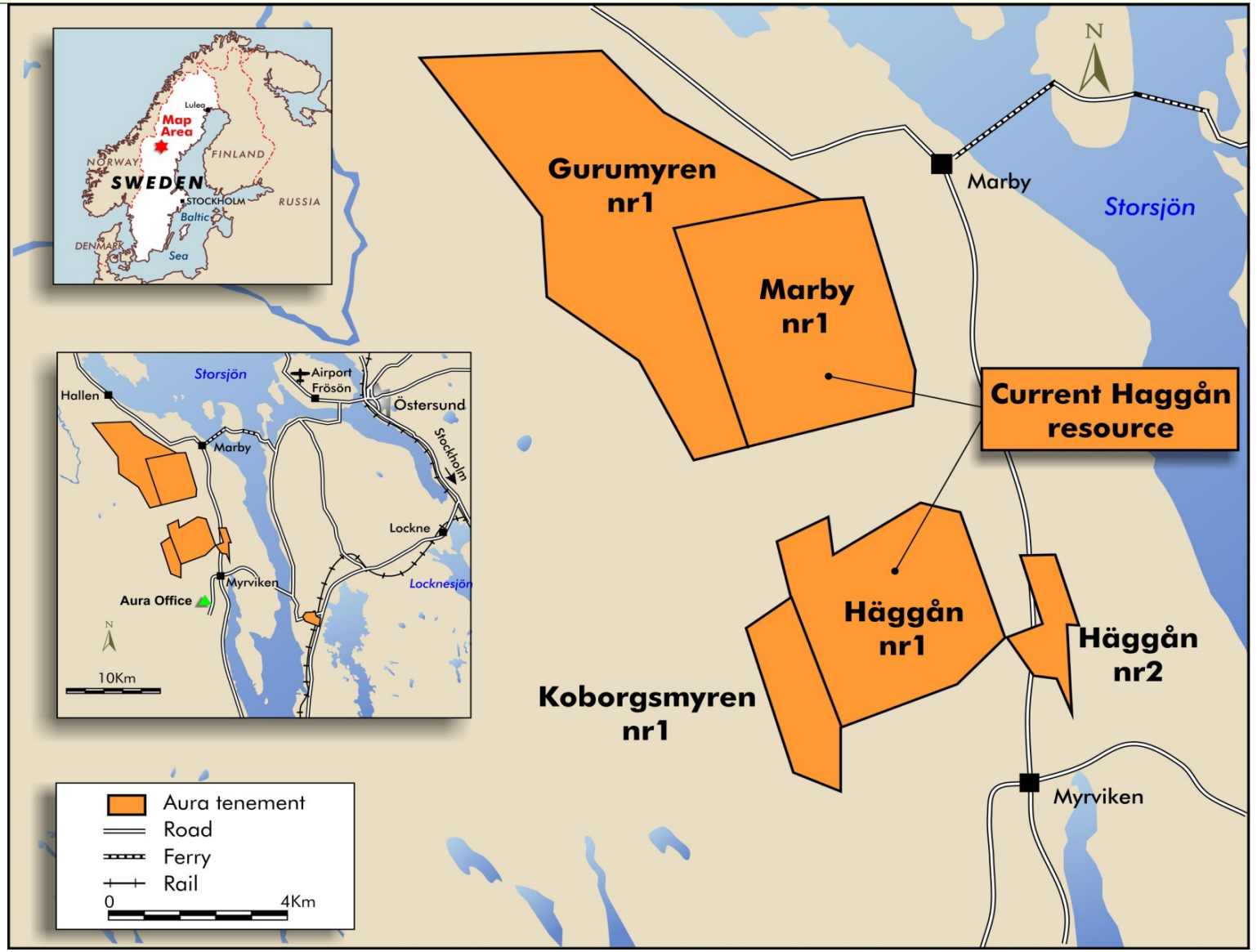
- Strategic European based uranium deposit - 2nd largest globally
- 803Mlbs U_3O_8 in Inferred Resources
- Completed Independent Scoping Study

- Flat lying resource amenable to large scale, open pit mining
- Bio heap leaching provides exceptionally low processing costs
- Scoping study cash costs ~ $13.50/lb. incl. credits @ 30mtpa scale
- C1 costs $25-35/lb assuming zero credits

- Smaller scale start-up examined – 3.5, 5.0, 7.5 Mtpa
- Bio heap leaching provides lower capital intensity
- Leach process received endorsement of major corporates

Häggån - Excellent Project Location

- Häggån has abundant power & water with good rail, air and road links
- Häggån is located in the Berg Commune, a large rural community
- Häggån landscape is largely forest and swamp
- Berg Commune population is 7,500
- Employment important factor for region and families

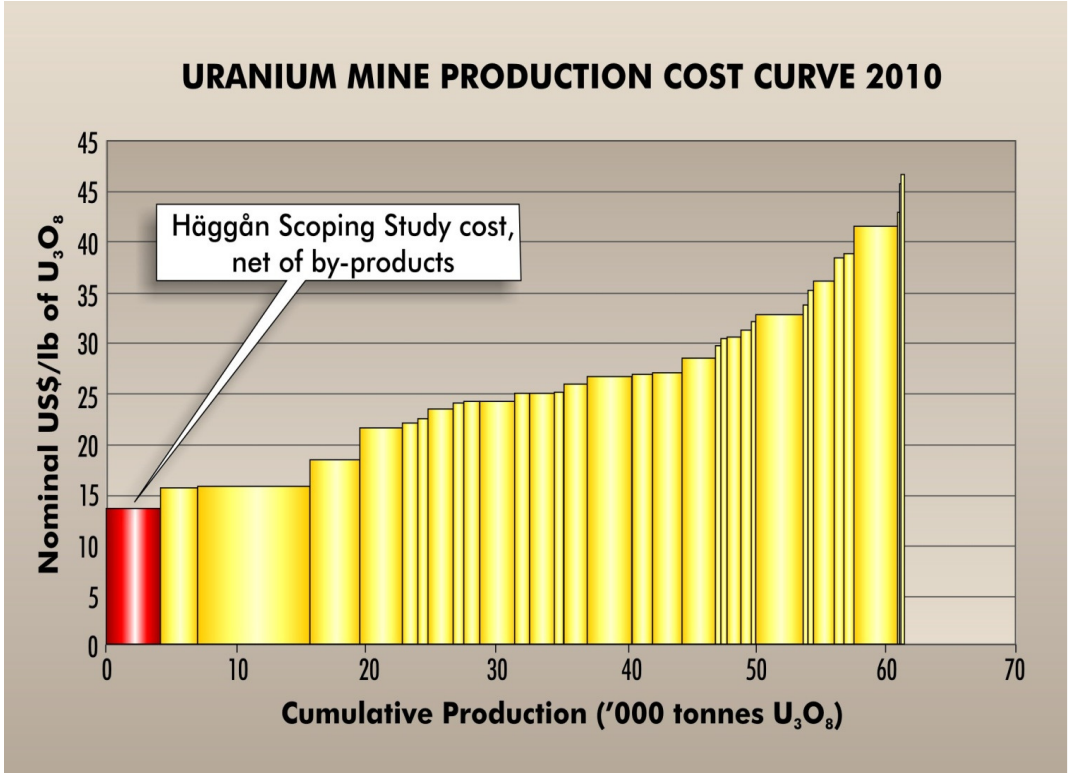


Häggån Exploration

Häggån - By-Product Credits

U_3O_8 (100ppm Cut-off)	Tonnes (Bt)	U_3O_8 (ppm)	Mo (ppm)	V (ppm)	Ni (ppm)	Zn (ppm)
Inferred	2.35	155	207	1,519	316	431

- Giant multi-metal deposit:
  - Uranium (U_3O_8) - 803 Mlbs
  - Nickel -1,640 Mlbs
  - Zinc -2,230 Mlbs
  - Molybdenum -1,070 Mlbs
- Other metals equate to ~ 300Mlbs U_3O_8
- The main by-product credits are from nickel and molybdenum
- Significant vanadium is not yet recoverable



Bio Heap Leaching Drives Low Capex

- Bacterial leaching provides significant project benefits
- Unique material with pyrite and no calcite - perfect for bugs
- Leaching process uses natural bacteria found in the ore
- Up to 85% uranium extraction confirmed over bench tests, 0.5mtr & 2.0mtr columns
- Bacterial heap leaching technique widely used in copper and gold industries
- Low acid consumption confirmed

Method	U %	Mo %	Ni %	Zn %
Bacterial column leach	85%	22%	66%	51%

GTK crib test at Outokumpu town
Source GTK

Häggån – Low cost, Low risk, Mining Project

Independent Studies:

- Pit shell contains >741 Mt
- 30 Mtpa, 25 yr life
- 7.8Mlbs U_3O_8 pa
- Low mining costs - strip ratio of 0.75:1
- Operating cost$13.50/lb. incl. by product credits
- Scoping study CAPEX approx $550M
- Smaller scales being considered

MTPA	APPROX CAPEX*	U3O8	Mo	Ni
	$m	Mlbs	Mlbs	Mlbs
3.5	150	1.0	0.4	1.7
5	190	1.4	0.6	2.4
7.5	250	2.1	1.0	3.6
30	540	7.8	4.3	14.8

** Includes 35% contingency*

Corporate Snapshot

Share price:	**3.1 cents**
Market capitalisation:	A$6.2M
Cash position:	$1.0 M (31/3/14)
Shares:	189 million
Code:	**AEE (ASX)**

Board

Peter Reeve	Non-Executive Chairman
Bob Beeson	Managing Director
Brett Fraser	Non-Executive Board Member
Jules Perkins	Non-Executive Board Member

Aura Energy - Summary

- Aura progressing low capex and low opex project developments in the current uranium climate
- High margin projects imply significant value
- Aura is well positioned for uranium price recovery

- Reguibat Scoping Study successfully completed
- Reguibat's beneficiation is a game changer on economics

- Häggån is an extraordinary uranium project - free option
- Häggån cash costs $13.50/lb. incl. credits - Lowest quartile

- Excellent exploration upside in both projects

Reguibat Exploration