



HIGHLY ENCOURAGING URANIUM ASSAY RESULTS FROM MAURITANIA DRILLING

- First phase of drill results supports Aura's exploration target of 40-60 Mlbs of U_3O_8 in its Mauritanian permits and confirms company's expectations
- 392-hole drill programme confirms widespread calcrete uranium mineralisation, generally 2-4m in thickness, close to surface
 - uranium grades and wide extent of mineralisation are highly encouraging. Individual 1m drill samples ranged up to 4056ppm U_3O_8
 - average uranium grade for reconnaissance drilling samples is 428ppm U_3O_8 for assays greater than a 200ppm U_3O_8 cut-off, and 264ppm at a 100ppm U_3O_8 cut-off
 - averages increase to 502 and 317ppm U_3O_8 respectively when all drill holes (reconnaissance and detailed) are considered
 - approximately half the holes drilled within 16 km² are mineralised at greater than 100ppm U_3O_8 in either assays or downhole logging
- Strong evidence that drilling is under-reporting uranium grades due to high sample loss in top 2m
 - radiometric logging indicates that 28% more sample intervals have greater than 100ppm eU_3O_8 from logging compared to greater than 100ppm U_3O_8 from assays
 - uranium grades in top metre are 20% higher in downhole logs than in laboratory assays
- Drilling tested less than half of identified radiometric targets
- Additionally Aura holds approximately 3000 km² of prospective ground yet to be covered by radiometrics
- Aura to undertake further resource definition, with objective of announcing JORC compliant resource, when conditions permit

Aura Energy (AEE) is a uranium explorer with advanced projects in Sweden, West Africa and Australia. The company is focusing on two main projects: the Storsjön 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 rapidly establishing resources and then completing feasibility studies on these two projects. Aura Energy is headquartered in Melbourne, Australia and has been listed on the ASX since May 2006.

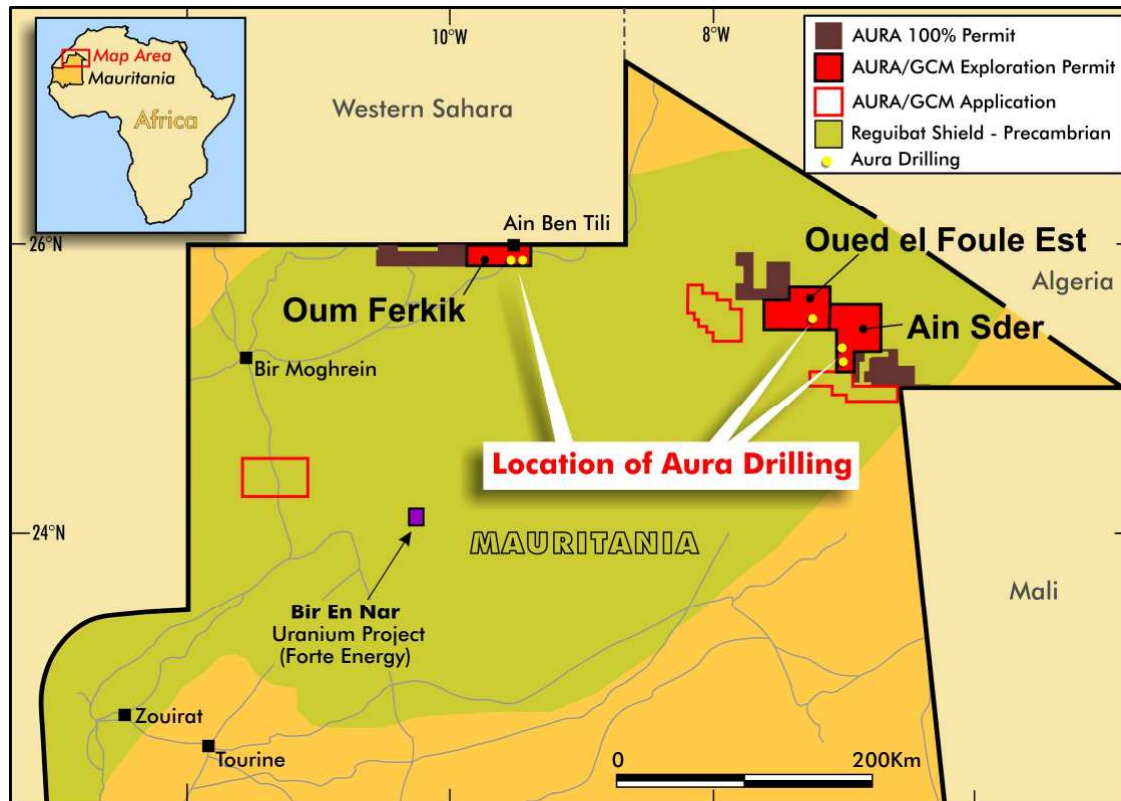


Figure 1: Location of Aura 2009-10 drilling

Aura Energy Limited (ASX Code AEE) carried out its first drilling programme from November 2009 to January 2010 for uranium mineralisation on its permits on the Reguibat Craton in northern Mauritania. The company is very pleased with the results from the first stage of drilling, and this is a significant step towards verifying the exploration target of 40-60 million pounds of U_3O_8 , at an average grade of 300-450ppm. (The potential quantity and grade of this target is conceptual in nature, and there has been insufficient exploration to define a Mineral Resource and that it is uncertain if further exploration will result in the determination of a Mineral Resource). Aura currently holds six granted permits in the district covering 6,400 square kilometres, three of which are held in joint venture with AIM listed GCM Resources plc. Recent drilling has been focussed on these three permits. Aura has been increasing its participating interest in the joint ventures by sole funding exploration. Aura's current interest in the three permits ranges from 54% to 56%. Exploration activities are managed by Aura.

Previous field work by Aura involving shallow pitting and sampling over broad areas indicated that uranium mineralisation occurs over large areas at or close to surface.

In December 2008, 47 pits were sampled most of which were spaced 500 metres apart within zones of elevated airborne radiometric response. The floor samples from all mineralised pits averaged 490 parts per million (ppm) U_3O_8 . The uranium mineralisation is associated with pedogenic calcrete.



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2009-2010 drill programme

The recently completed drilling programme was designed to test the extent, continuity, and variability of the uranium mineralisation. Drilling was undertaken in three areas, as shown in Figure 1 and covered a total of 16 square kilometres. Drilling patterns were either in a reconnaissance format on regular grid patterns, or close-spaced drilling to determine local variations.

Of 392 holes completed, 60% were on Oued el Foule Est (OEFE) Zone A prospect on a 200 metres x 200 metres reconnaissance drill pattern. In the other prospects tested, Ain Sder and Oum Ferkik, the reconnaissance drill pattern was expanded to 400 metres x 200 metres in view of the large areal extent of the radiometric anomalies to be tested.

In addition to the vertical pattern holes, closely-spaced drilling in a cross format were drilled in three separate areas, each consisting of approximately 20 holes spaced 10 metres apart on intersecting lines, each 100 metres in length. The objective was to determine short range variability of the mineralisation. Two areas were selected for this drilling at OEFE and one at Ain Sder.

Drill samples were assayed by X-ray fluorescence at ALS Chemex Laboratories' in Johannesburg. Selected samples will be further checked and assayed by multi-element ICP analysis.

In addition, down-hole gamma logging was conducted on most holes by Poseidon Geophysics. The resulting gamma logs were analysed and compiled by consultant geophysicist David Wilson.

Assay and downhole logging results

The drilling confirmed the presence of widespread calcrete-type uranium mineralisation within the target areas defined by airborne and ground radiometrics. Approximately half of all holes drilled (46%) are mineralised at greater than 100ppm U_3O_8 in either assays or downhole logging.

Mineralisation, where present was generally two to four metres in thickness and could locally extend up to six metres. However, the main mineralisation is generally present between the surface and five metres depth.

The average uranium grade for reconnaissance drilling samples is 428ppm U_3O_8 for assays greater than a 200ppm U_3O_8 cut-off, and 264ppm for assays greater than a 100ppm U_3O_8 cut-off.

These averages increase to 502 and 317ppm U_3O_8 respectively when all drillholes are considered.

A significant proportion (45%) of mineralised samples with greater than 100ppm assayed U_3O_8 have values of greater than 200ppm U_3O_8 . Individual one metre drill samples ranged up to 4056ppm U_3O_8 (Hole 09OFRCL028).

Those drill holes with an average grade of greater than 300ppm U_3O_8 have been selected and reported in Table 1 at the end of this release.

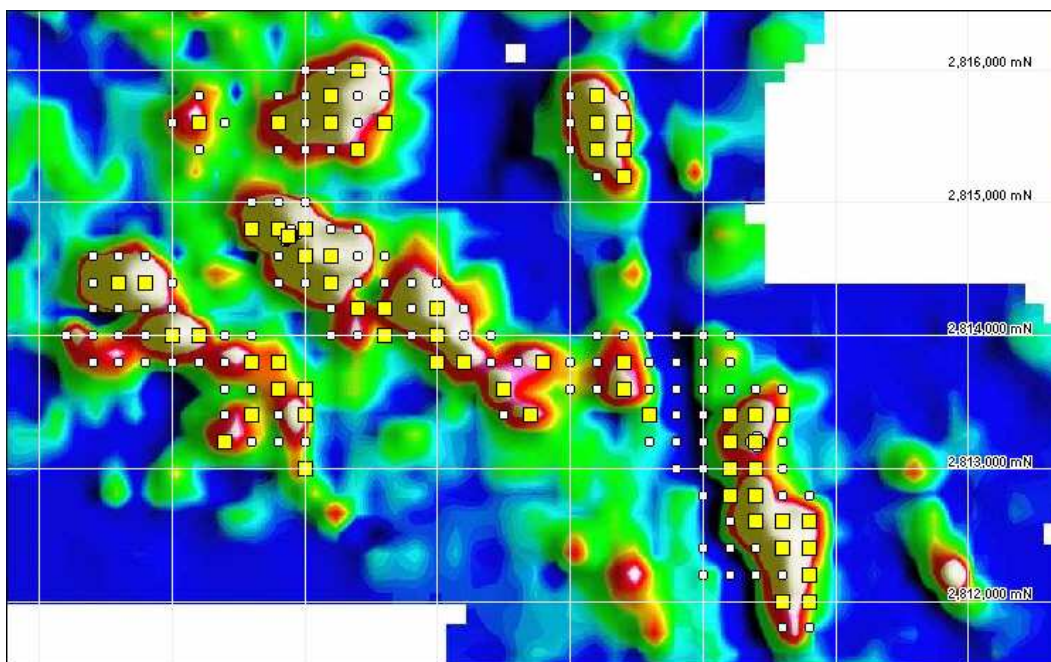


Fig 2: Mineralised holes (yellow dots), Zone A, Oued El Foule Est Target. Background image is total count ground radiometrics.

Sample loss and under-reporting of uranium grades

There is strong evidence that the laboratory assay grades are significantly under-reporting actual uranium grades. There were large sample losses in the top one to three metres, indicated by low recoveries in many near-surface samples. Sample losses ranged up to 80% in some cases.

A programme of downhole gamma logging was carried out to provide independent information on uranium grade. This demonstrated that in a significant number of holes assayed uranium values are lower than values determined by down-hole logging, particularly in the top metre. Radiometric logging reports on average 20% higher uranium grades than assays for the top metre.

Radiometric logging of drill holes has indicated that more one metre sample intervals have higher values than those identified by the assays. Statistically 28% of samples

have greater than 100ppm eU_3O_8 from logging than those that have greater than 100ppm U_3O_8 from assays.

Sampling issues during the drilling of shallow, dry calcrete uranium deposits are relatively common, as illustrated by Deep Yellow Ltd at their Napperby deposit in the Northern Territory, and ACAP Resources Ltd's drilling of calcrete mineralisation in Botswana.

Aura will secure appropriate drilling capability to reduce this loss in future programmes.

Close-spaced drilling

The closely-spaced drilling demonstrated good continuity of mineralisation in the areas tested, as shown in Figure 3. Coherent blocks of higher grade mineralisation of at least 60 metres width occur within the broader zone of mineralisation.

The frequency of such zones, which will clearly have a significant impact on the overall grade of the mineralisation, is yet to be defined.

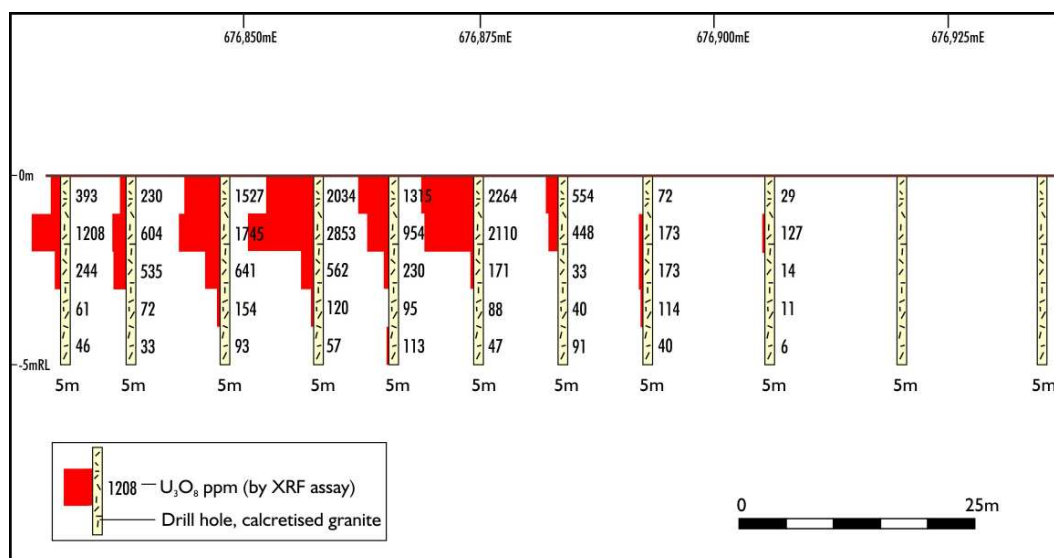


Fig 3: Detailed variability drilling from one of the higher grade zones at Oued El Foule Est; vertical exaggeration times 5

Aura's future programme at Reguibat

Aura is developing a programme that should allow the establishment of the first resource for the project. Because of the constraints on field activity in the northern summer it is expected that the next phase of drilling will not commence until late in the

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third quarter of 2010. This is anticipated to lead to the release of a resource statement compliant with the JORC code in early 2011.

Aura's programme will also include a major geophysical survey to cover the permits not previously covered by airborne radiometrics. Aura believes that additional uranium mineralisation lies within these areas. Aura holds approximately 3000 square kilometres of prospective ground that is yet to be covered by radiometrics.

Forte Energy Ltd is undertaking resource drilling at their Bir en Nar bedrock deposit west of the Aura permits. This style of mineralisation will also be considered in the next programme in Mauritania, as Aura has not yet examined the bedrock potential.

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The information in this report that relates to Exploration Results, Mineral Resources, or Ore Reserves is based on information compiled by Dr Robert Beeson. 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, and is a member of the Australian Institute of Geoscientists. 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.


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Table 1: Selected intersections for drill holes; drill holes averaging greater than 300ppm U₃O₈ assayed by XRF

Hole ID	Easting	Northing	From (m)	To (m)	Thickness (m)	U ₃ O ₈
09ASRCI014	699800	2786800	0.0	3.0	3.0	467
09ASRCI018	700002	2786912	1.0	4.0	3.0	596
09ASRCI021	700000	2786300	0.0	2.0	2.0	340
09ASRCI033	701163	2787631	3.0	4.0	1.0	700
09ASRCI034	702319	2787119	0.0	1.0	1.0	302
09ASRCI042	700049	2786945	1.0	4.0	3.0	490
09ASRCI045	700023	2786926	1.0	4.0	3.0	469
09ASRCI047	699997	2786912	2.0	3.0	1.0	336
09ASRCI056	700008	2786910	1.0	3.0	2.0	374
09ASRCI057	699999	2786928	1.0	4.0	3.0	820
09ASRCI059	699988	2786944	0.0	4.0	4.0	570
09ASRCI061	699975	2786963	0.0	4.0	4.0	314
09ASRCJ004	700400	2796800	0.0	1.0	1.0	322
09ASRCJ007	700408	2796904	0.0	4.0	4.0	600
09ASRCJ008	700603	2796909	1.0	2.0	1.0	355
09FERCA005	676800	2814800	0.0	4.0	4.0	347
09FERCA006	677000	2814800	1.0	4.0	3.0	358
09FERCA010	677000	2814600	0.0	3.0	3.0	363
09FERCA011	677200	2814600	0.0	4.0	4.0	330
09FERCA016	677200	2814400	0.0	5.0	5.0	737
09FERCA091	676000	2814000	0.0	3.0	3.0	550
09FERCA092	676200	2814000	0.0	2.0	2.0	311
09FERCA148	680400	2813200	0.0	4.0	4.0	341
09FERCA152	680200	2813000	2.0	3.0	1.0	315
09FERCA157	680400	2812800	0.0	3.0	3.0	368
09FERCA167	680600	2812400	0.0	3.0	3.0	341
09FERCA182	680401	2813155	1.0	3.0	2.0	321
09FERCA185	680368	2813202	1.0	3.0	2.0	301
09FERCA199	676860	2814715	1.0	4.0	3.0	388


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Table 1: Intersections for drill holes averaging greater than 300ppm U₃O₈ assayed by XRF (Continued)

Hole ID	Easting	Northing	From (m)	To (m)	Thickness (m)	U ₃ O ₈
09FERCA200	676864	2814723	0.0	4.0	4.0	1435
09FERCA201	676867	2814732	0.0	4.0	4.0	1098
09FERCA202	676868	2814738	0.0	2.0	2.0	2049
09FERCA203	676875	2814752	0.0	1.0	1.0	2264
09FERCA203	676875	2814752	1.0	3.0	2.0	1141
09FERCA204	676877	2814757	0.0	3.0	3.0	864
09FERCA205	676883	2814770	0.0	1.0	1.0	311
09FERCA213	676884	2814751	0.0	2.0	2.0	501
09FERCA214	676866	2814750	0.0	1.0	1.0	1315
09FERCA214	676866	2814750	1.0	3.0	2.0	592
09FERCA215	676858	2814750	0.0	2.0	2.0	2444
09FERCA215	676858	2814750	2.0	4.0	2.0	341
09FERCA216	676848	2814748	0.0	1.0	1.0	1527
09FERCA216	676848	2814748	1.0	4.0	3.0	896
09FERCA217	676838	2814751	0.0	3.0	3.0	456
09FERCA218	676831	2814751	0.0	3.0	3.0	615
09FERCA220	677981	2813997	0.0	3.0	3.0	394
09FERCA221	680380	2813196	0.0	4.0	4.0	321
09OFRCK001	449200	2860000	1.0	4.0	3.0	379
09OFRCK013	449000	2860800	1.0	2.0	1.0	987
09OFRCK014	449200	2860800	1.0	4.0	3.0	488
09OFRCK016	449600	2860800	1.0	2.0	1.0	467
09OFRCK027	449800	2861200	1.0	4.0	3.0	307
09OFRCK041	449400	2860600	1.0	4.0	3.0	443
09OFRCL023	444400	2861600	1.0	6.0	5.0	567
09OFRCL028	444000	2862000	1.0	5.0	4.0	1345
09OFRCL029	444200	2862000	0.0	6.0	6.0	421
09OFRCL039	444900	2862800	0.0	3.0	3.0	492

Eastings and northings are given in Projection WGS84, Zone 29 North