

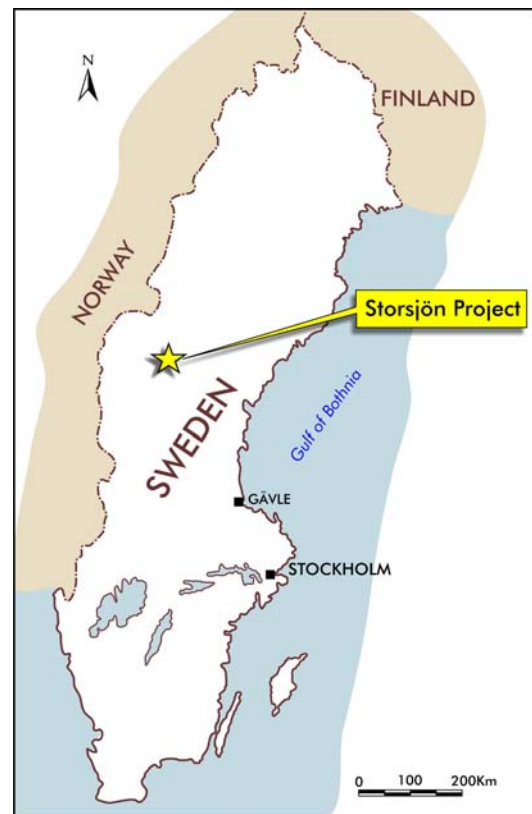
ASX ANNOUNCEMENT

11 August 2008

Aura Energy continues to define a major new development of the uranium-molybdenum-vanadium bearing Alum Shale in Sweden

- **Aura Energy has intersected considerable thicknesses of mineralised Alum Shale in the majority of the eleven holes completed at its Storsjön Project in Sweden**
- **Average thickness of uranium-bearing shale in these 11 holes is 115 metres**
- **This preliminary drilling infers the presence of a thick development of the shale exists throughout Aura's 16 square kilometre Häggån licence**
- **Assays of drill holes DDHG003, 004 and 005 confirm the presence of uranium-vanadium-molybdenum shale over substantial intervals, and assays over 200ppm U₃O₈ in all three holes**
- **Aura's permit is adjacent to those where Continental Precious Minerals have recently announced an inferred resource of 437 million pounds uranium oxide, 900 million pounds of molybdenum oxide, and 7.14 billion pounds vanadium oxide.**

Aura Energy Ltd (ASX code: AEE) is pleased to announce that its ongoing drilling programme in its Häggån exploration licence in Sweden has continued to intersect substantial thicknesses of uranium-mineralised Alum Shale.

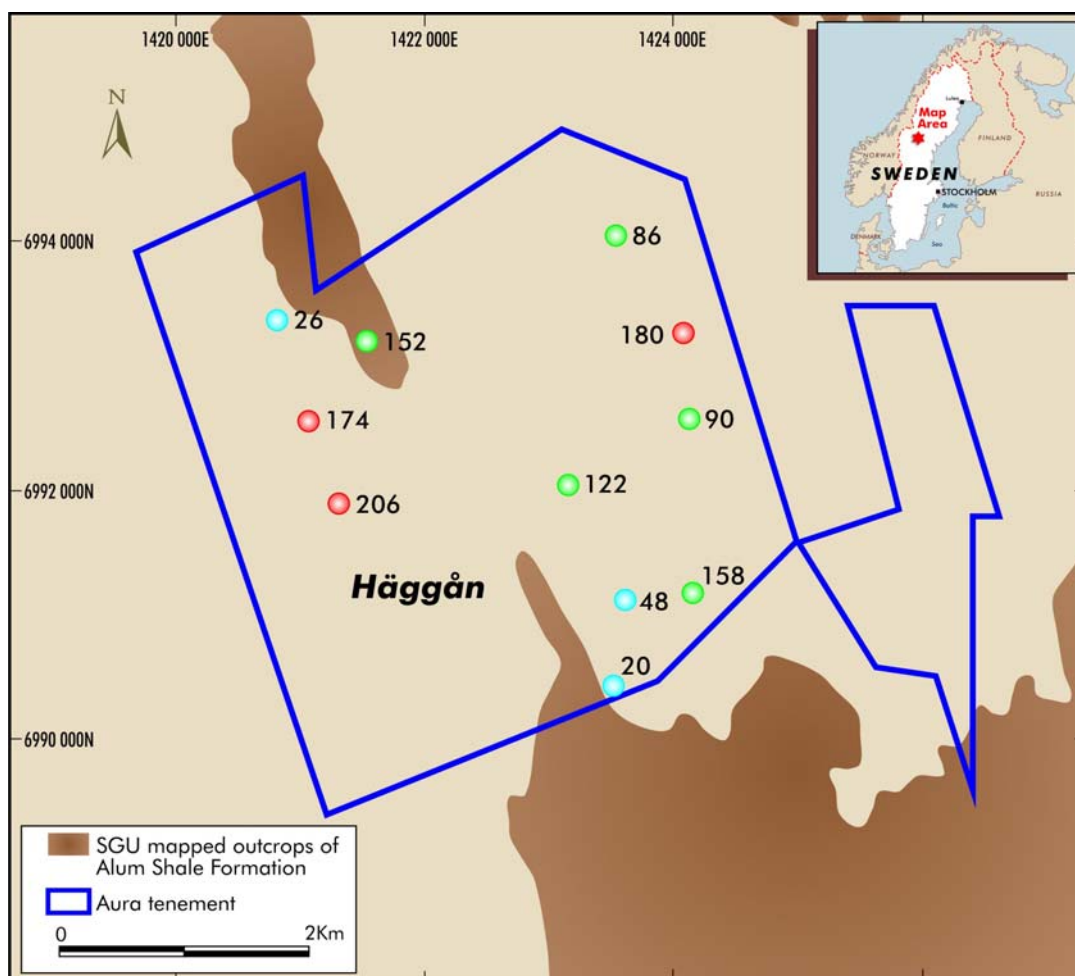


Location of the Storsjön Project, Sweden

The thicknesses of radiometrically anomalous shale for the first eleven holes are as follows:

Hole No.	Radiometrically anomalous shale	Total thickness of anomalous shale
DDHG001	24 - 160m, and 182 - 202m	180m
DDHG002	10 – 32m	20m
DDHG003	70 – 156m	86m
DDHG004	44-196m	152m
DDHG005	62-236m	174m
DDHG006	48-160m	122m
DDHG007	52-258m	206m
DDHG008	86-134m	48m
DDHG009	4-30m	26m
DDHG010	46-204m	158m
DDHG011	120-210m	90m

All holes were drilled vertically to obtain the maximum intersection of the Alum Shale. The second phase of drilling has continued to support the initial results that indicated that thick developments of uranium-vanadium shale exist throughout Aura's Häggån exploration licence. The average thickness intersected in all 11 drill holes is 115 metres. Three of the 11 Aura holes have anomalous intersections in excess of 180 metres.



Thickness of radiometrically anomalous shale in Aura's Häggån licence

These are significant intersections of mineralised shale in an area where the sub-surface geology was not known. There had been no previous drilling within the Häggån exploration licence prior to Aura's programmes.

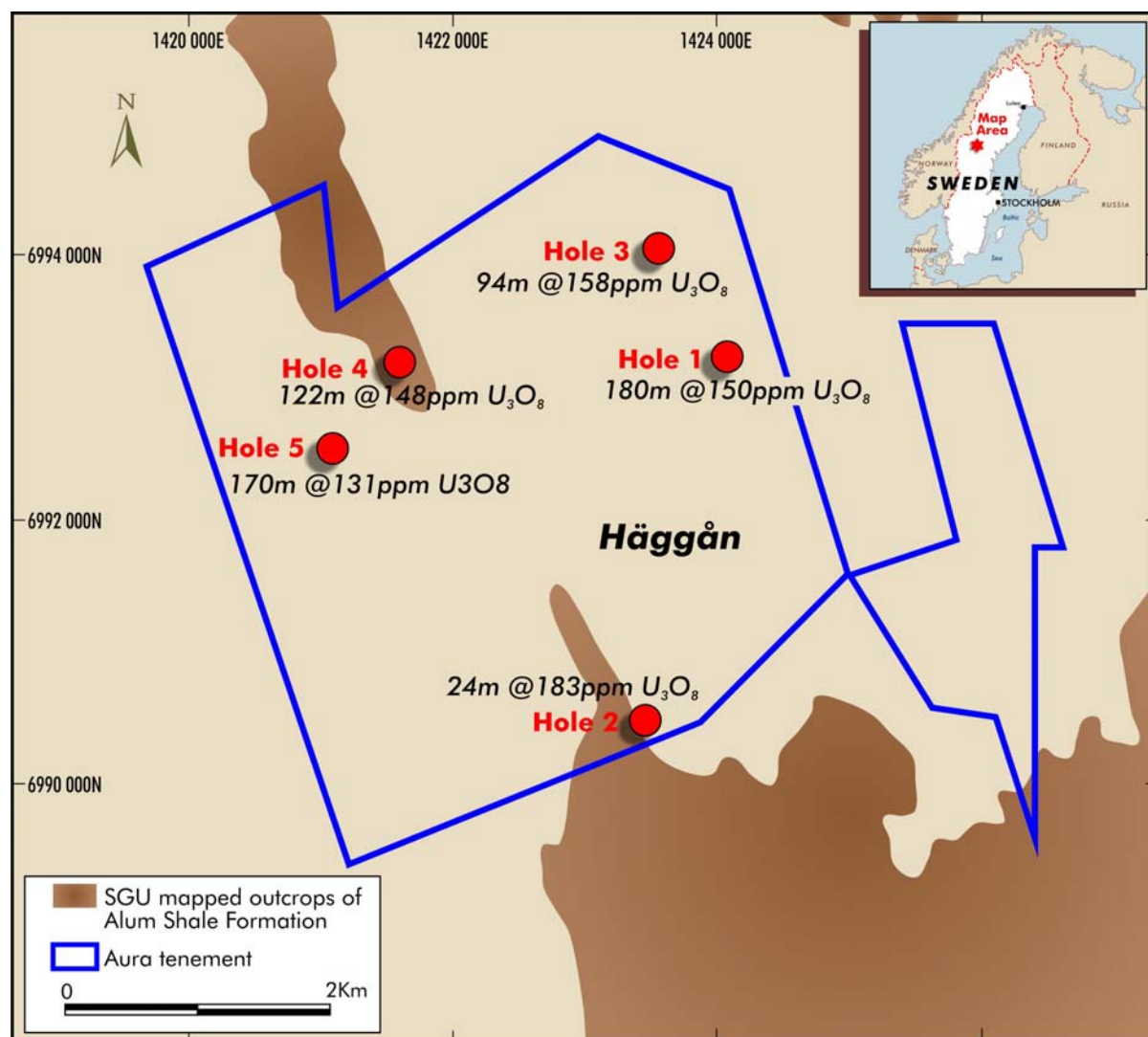
"The thickness of these intersections continues to exceed Aura's expectations" said Dr Bob Beeson, Managing Director. "The drilling suggests that the Häggån exploration licence contains a very substantial development of the prospective, mineralised Alum Shale. Further drilling within this programme will continue to evaluate this suggestion."

Aura currently has two rigs on site in its Storsjön Project.

Aura has extensive licences for shale-hosted uranium-vanadium-molybdenum-nickel mineralisation in central Sweden in addition to that at Häggån.

Assays for drill holes DDHG003-DDHG005

Aura Energy Ltd has previously announced that assay results from the first 2 holes of its drilling programme in its Häggån exploration licence in Sweden. Aura completed 5 holes in the initial phase of drilling at Häggån.



Summary of Reconnaissance Drilling - Häggån, Sweden

Assay results for the first two drill holes, DDHG-001 and DDHG-002, were:

**DDHG001: 180m @ 150ppm U₃O₈, 318ppm MoO₃, and 0.25% V₂O₅,
including 70m @ 204ppm U₃O₈, 429ppm MoO₃, and 0.34% V₂O₅.**

DDHG002: 24m @ 183ppm U₃O₈, 400ppm MoO₃ and 0.43% V₂O₅.

Aura has now received assays for the following drill holes;

Drill hole	Intersect (m)	Depth from (m)	ppm U ₃ O ₈	ppm MoO ₃	% V ₂ O ₅
DDHG003	94	64	158	331	0.32
incl.	10	68	203	454	0.42
DDHG004	122	42	148	303	0.34
and	10	176	168	302	0.33
DDHG005	170	68	131	272	0.23
incl.	18	216	183	381	0.41

These assay results confirm the exceptional mineralised thicknesses of the Alum Shale in Aura's Häggån licence indicated by the radiometric logging of the drill core.

The sample interval for the assays is 2 metres.

Major uranium-vanadium-molybdenum resource nearby

Continental Precious Metals have recently announced an inferred resource of 437 million pounds of U₃O₈, 900 million pounds of MoO₃ and 7.14 billion pounds of V₂O₅ in the adjoining permits to Aura's land package in Jämtland.

The province is considered to contain Europe's largest resources of uranium.



Anomalous Alum Shale in drill hole DDHG009



Drill rig at hole DDHG007 on Aura's Häggån Permit, Northern Sweden

For further information contact:

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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.

Corporate Information

Directors

B Fraser	Non-Executive Chairman
Dr B Beeson	Managing Director
S O'Loughlin	Non-Executive Director
J Stephenson	Non- Executive Director & Company Secretary

Issued Capital

As at the date of this report the issued capital of the Company is comprised of:

42,833,475 fully paid ordinary shares
17,853,500 listed options