

A S X A N N O U N C E M E N T

29 April 2008

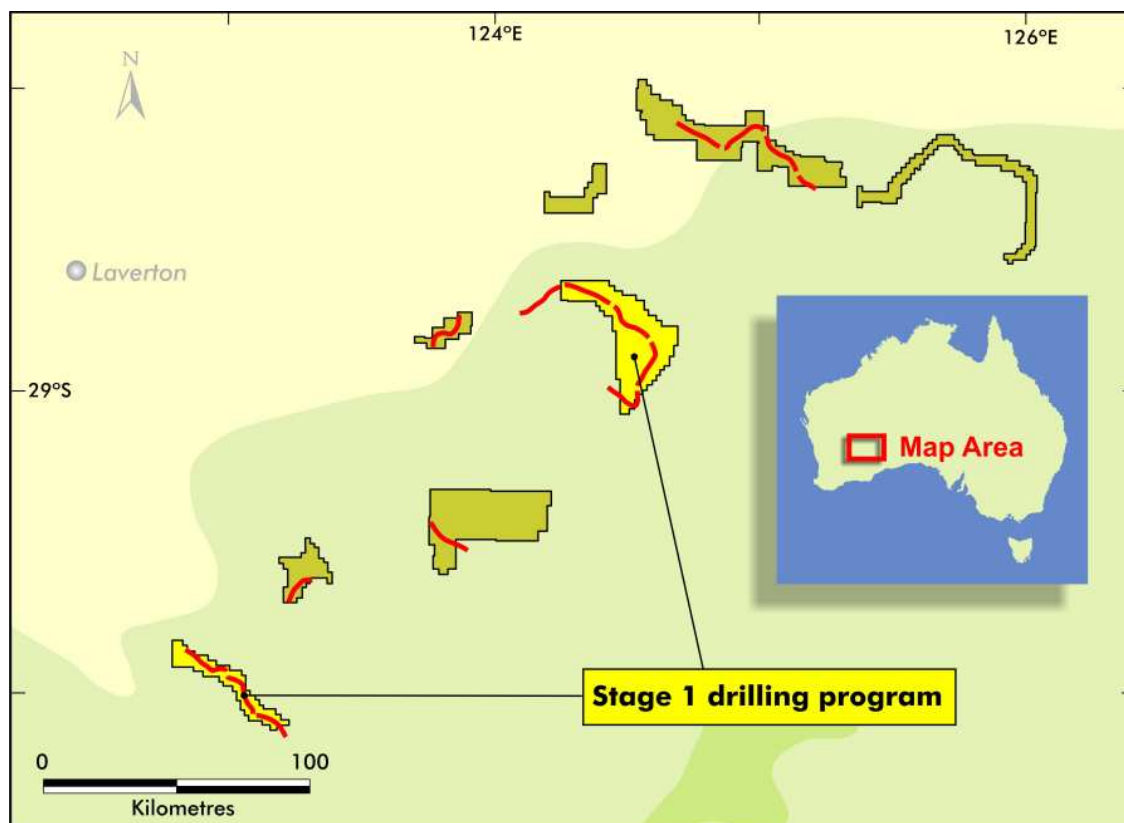
**AURA COMMENCES DRILLING IN THE
GUNBARREL BASIN**

First drill testing of prospective palaeochannels in this highly prospective uranium province

Aura Energy Ltd (ASX code: AEE) commenced drilling of the Phase 1, 4200 metre drill programme in the Gunbarrel Basin Joint Venture on Sunday 27 April. The drill programme is designed to test several palaeochannels which were delineated using airborne electromagnetics during 2007.

The Gunbarrel Basin, located east of the Archaean Yilgarn Block, contains a large endowment of sediment-hosted uranium mineralisation at Mulga Rocks and Ponton, but is significantly less explored than the other major uranium provinces of Australia. Energy and Metals of Australia's recent prospectus (10th April 2008) suggests that the Mulga Rocks deposit is larger than previously thought and places the Gunbarrel Basin amongst Australia's largest uranium provinces. Refer to the EAMA Prospectus for details on the Mulga Rocks Deposit (<http://www.eama.com.au/prospectus/>).

Aura's Gunbarrel Basin exploration is a joint venture with Mega Uranium Ltd (TSX CODE: MGA) whereby Mega is spending \$3 million to earn 50% in Aura's tenements. Aura's extensive landholding in the Gunbarrel Basin, totalling 3750 km², covers major portions of three of the four main palaeochannels in the region.



Western Australia : Gunbarrel Project - Drilling Program

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. 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:

35,641,500 fully paid ordinary shares
 17,858,500 listed options
 4,050,000 unlisted options