

AURA SECURES TÄPPETJÄRNET PROJECT, SWEDEN, WITH HIGH GRADE URANIUM AND SILVER

- AURA ENERGY LIMITED IS GRANTED THE TÄPPETJÄRNET LICENSE NORTH OF HODGES RESOURCES LIMITED ASNEBOGRUVAN PROSPECT
- TÄPPETJÄRNET PROJECT IS WITHIN AN INTERPRETED IOCG PROVINCE IN SWEDEN
- HIGH GRADE URANIUM (MAXIMUM 4.42% U_3O_8) AND SILVER (MAXIMUM 2050ppm)

Aura Energy Ltd (ASX Code: AEE) is pleased to announce that it has received encouraging results with up to 4.42% U_3O_8 and up to 2050ppm (0.2%) silver from its granted Tappetjärnet No 2 exploration licence in Sweden.

Key facts concerning the project are:

- High grade vein type uranium/ silver mineralisation, occurs in the Tappetjärnet prospect area and crosscuts silica-hematite-altered meta sediments
- The uranium mineralisation occurs in two costeans opened by prior explorers which are 20m apart which occur on the southern shore of Lake Tappetjärn.
- Past exploration has reported grades up to 3.42% U_3O_8 .
- Aura sampling has reported grades of 0.002%, 0.22%, 0.58% and 4.42% U_3O_8 and 1075 to 2050g/t Ag from sampling within the costeans.
- Radiometric anomalies on the exploration licence remain to be followed up
 - extensive forest and moss cover mean that uranium mineralisation and radiometric responses may be masked.
- At Hodges Resources' adjoining Åsnabogruvan Project, the presence of intrusives, hematite breccias and the multi commodity mineralization in the area has drawn comparisons with Olympic Dam /IOCG style mineralisation
 - Hodges report maximum values of 7.7% uranium, 28 g/t Au and 0.32% tungsten at Åsnabogruvan

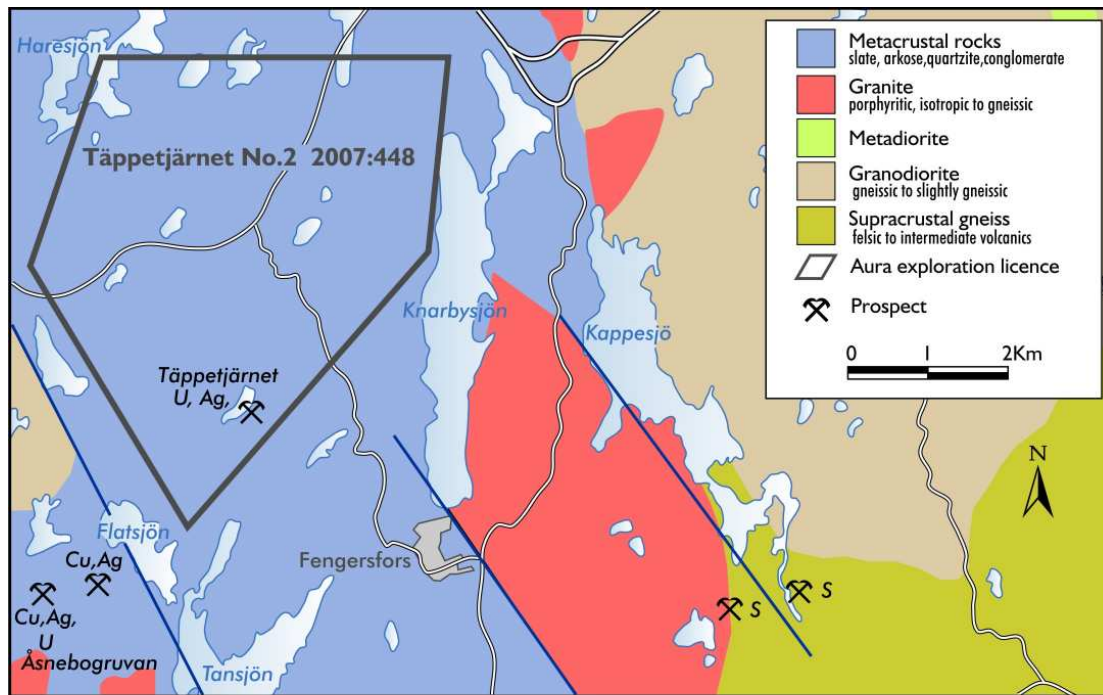


Sweden : Location Tappetjärnet area

The Täftejärnet licence covers uranium prospects near Åmål in the Västra Götland District of Central Sweden approximately 250 kilometres west of Stockholm.

Täftejärnet Geology and Mineralisation

A number of uranium deposits and prospects have been mapped by the Swedish Geological Survey within sediments of the Dalsland Group in the Western segment of the southwest Swedish Gneiss Region of Proterozoic Age. The sediments have been intruded by differing granitoid suites of similar age.



Sweden : Plan showing the Täftejärnet Exploration Licence, Prospects and Geology

One of these prospects at Åsnebogruvan, south west of Täftejärnet, is held by Hodges Resources Limited (ASX Code: HDG). Hodges state that “the presence of intrusives, hematite breccias and the multi commodity mineralization in the area has drawn comparisons with Olympic Dam /IOCG style mineralization”

Uranium mineralisation was first identified at Täftejärnet by The Swedish Geological Survey in 1973.

At Täftejärnet two costeans 20 metres apart have exposed quartz vein and network vein style mineralisation, within silicified hematite altered sediments. Scintillometer counts increase to 10000cps over the strongest mineralisation within the costeans where counts of 100 to 600 cps predominate. Outcrop in the area is limited.

While there is no airborne radiometric anomaly at Täftejärnet, probably because of the dense forest and moss covered ground, airborne radiometric anomalies are located along the northern part of the tenement and remain to be followed up.

Sampling by the SGU at the prospect reported up to 0.06-2.9% U in two samples, and values of 0.15% Cu, 0.45% Pb, 0.10% Zn and 0.11% V in one of these samples.

Aura's exploration programme

Aura has commenced work at T ppetj rnet with field reconnaissance, sampling and review of past exploration.

Assays of grab samples collected in the costeans at T ppetj rnet in July have now been received.

Sample No	Assays		Location	Rock Description
	U %	Ag ppm		
36235	4.42	2050	T�ppetj�rnet northern costean. Centred on 1305495E 6548207N	1cm wide vein of black mineral within oxidised sulphides
36237	0.58	1075	T�ppetj�rnet southern costean. Centred on 1305480E 6548194N	Fe Mn stained network veined hematite stained phyllite over 10cm wide zone.
36234	0.22	1500	T�ppetj�rnet northern costean. Centred on 1305495E 6548207N	Pocket of oxidised sulphides along vein up to 5cm wide within silica hematite altered sediments
36236	0.00 2		T�ppetj�rnet northern costean. Centred on 1305495E 6548207N	Network quartz veined silica hematite altered sediments

These samples reported maxima of 0.19% Cu and 1.35 %Pb,

Ground magnetic and radiometric surveys are planned to establish the surface expression of uranium mineralisation and to define the subsurface extent and structure of the silica-hematite altered sediments that host the uranium mineralisation.



Silica hematite altered metasediment hosting uranium silver mineralisation in veins and veinlets at T ppetj rnet.

Potential of the Tåppetjärnet area

Hodges Resources report that the company's Åsnabogruvan property, immediately southwest of Tåppetjärnet, is prospective for iron oxide hosted uranium-gold mineralization because of the presence of hematite breccia and highly anomalous uranium, gold and rare earths in association with granites. Sampling at Åsnabogruvan by the Swedish Geological Survey in 1980 assayed 4.7% uranium oxide (U₃O₈), 28 g/t gold, 0.32% wolfram, 2.7% tellurium, 0.15% yttrium, 10g/t silver and 25% iron oxide. Pitchblende-bearing mineralisation was noted to occur within fractures and faults within a hematite brecciated sandstone.

More recent sampling by Hodges at Åsnabogruvan has given a peak value of 7.7% uranium from old workings at Langvattnet. Five samples taken by Hodges at Åsnabogruvan averaged 1.9% uranium.

The Tåppetjärnet area has received only limited exploration to date. Dense moss and forest cover has restricted this past exploration, and potential remains for multi-commodity mineralisation, of vein or IOCG types, within the Aura exploration licence.

BACKGROUND

Aura Energy is developing a significant portfolio of tenements in Sweden to compliment its activities in Australia and Africa. The company has previously announced its applications for exploration licences covering extensive occurrences of the uranium-bearing Alum Shale, considered to be Europe's largest uranium province. In addition Aura has released to the market details of the grant of tenements with significant uranium results at the Stripa Iron-Uranium deposit and the Håkantorp iron - uranium bearing skarn deposit

ENDS

For further information contact:

Dr Bob Beeson
Managing Director
Tel: (08) 9228 0711

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

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.