



MEGA URANIUM TO FUND FOLLOW-UP DRILLING PROGRAM AFTER THE RECENTLY ANNOUNCED DISCOVERY HOLE AT THE JUNCTION PALEOCHANNEL

Second phase drill testing of the Junction palaeochannel in this highly prospective uranium province will follow the recently completed and successful first drill testing of this palaeochannel.

Canadian uranium explorer, Mega Uranium Ltd, has approved and will fund a proposed 76 hole aircore drill program of approximately 6000 metres in the Gunbarrel Basin Joint Venture with Aura Energy Ltd (ASX Code: AEE, "Aura").

The first phase of drilling was supported by the WA Dept of Mines and Petroleum, Exploration Incentive Scheme.

The Gunbarrel Basin contains a large endowment of sediment-hosted uranium mineralisation at Mulga Rock, Double 8/Ponton, and Thatcher Soak. Together these three deposits contain JORC-compliant resources of approximately 85 million pounds of U₃O₈.

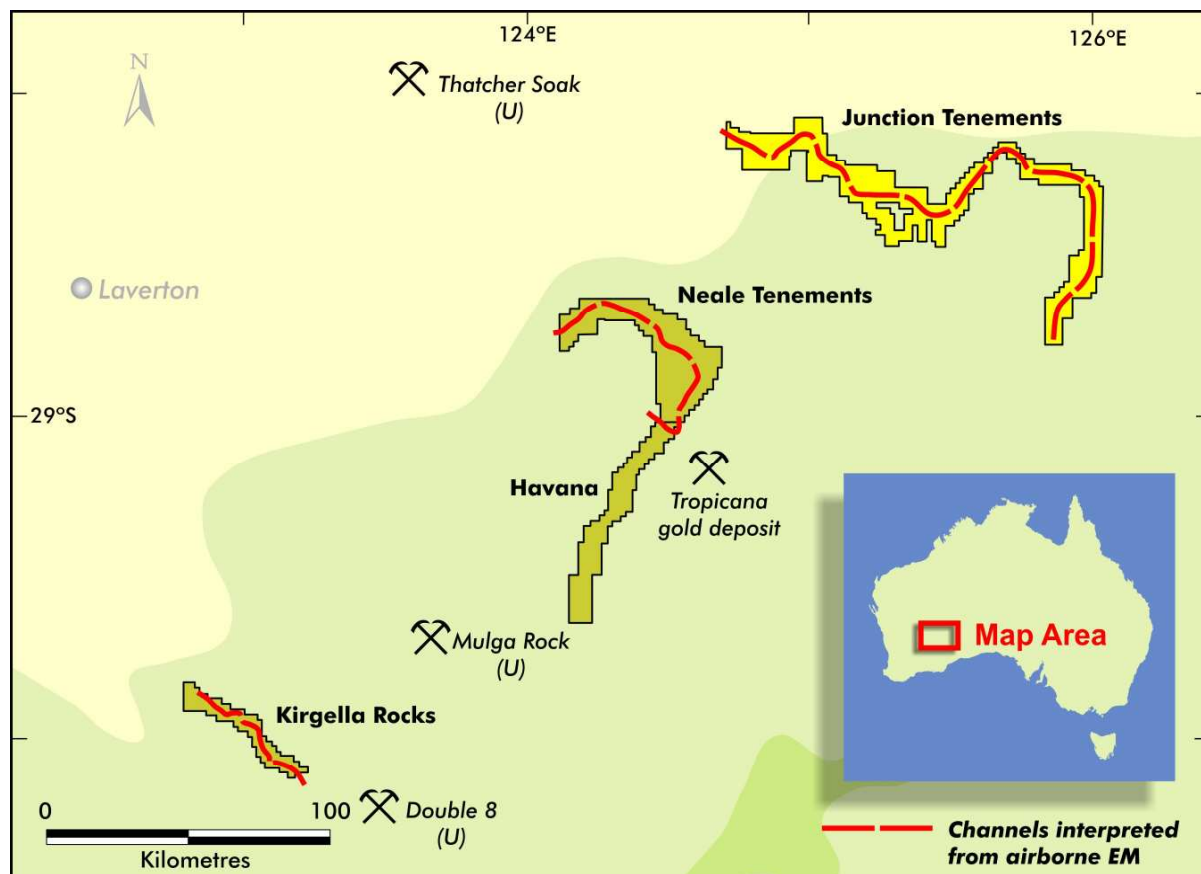
Despite the amount of uranium present the Basin is significantly less explored than the other major uranium provinces of Australia.

The drill programme is designed to test the full extent of the prospective Junction Palaeochannel within the granted tenements at an approximate 4 km line spacing and to evaluate in more detail on a 2km line spacing the immediate vicinity of the hole JUAC020 uranium-bearing intersection recently announced to the ASX.

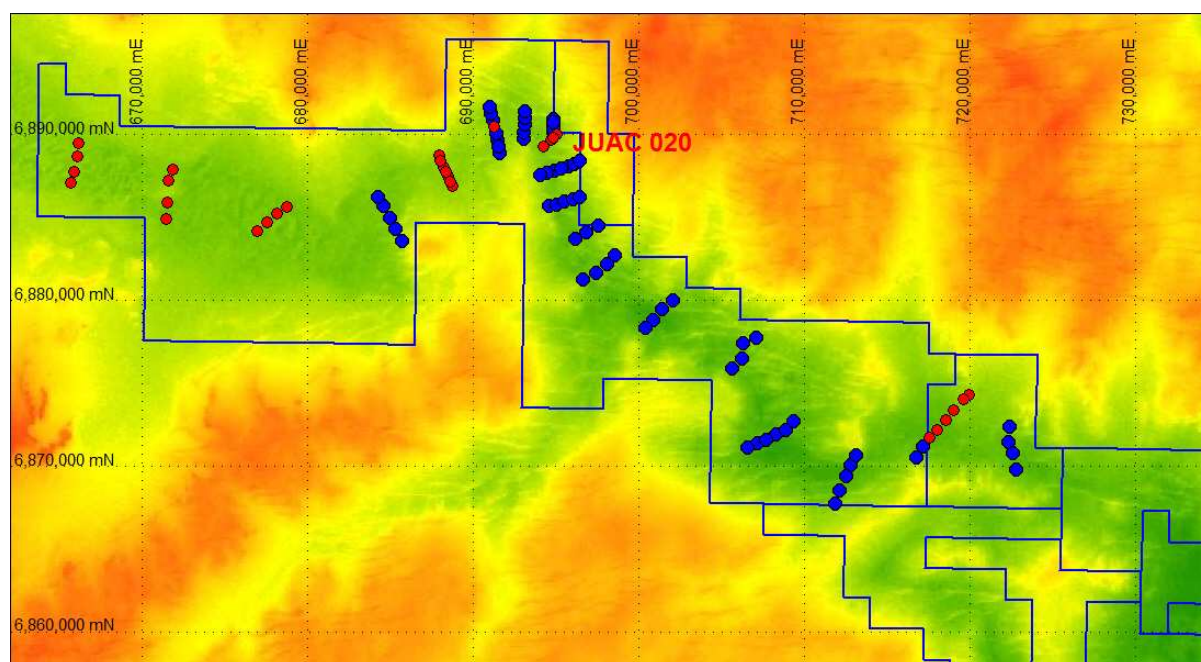
The position of the palaeochannel was delineated using airborne electromagnetics during 2007.

The program, to be managed by Aura, is planned for mid October, subject to W.A. Department of Mines and Petroleum approval of the work program and contractor availability.

Aura's Gunbarrel Basin exploration is a joint venture with Mega Uranium Ltd (TSX CODE: MGA) whereby Mega can spend \$3 million to earn 50% and a further \$3 million to earn a 70% interest in Aura's tenements. Aura's extensive landholding in the Gunbarrel Basin, totalling approximately 2760 km², covers major portions of three of the four main palaeochannels in the region.



Western Australia : Gunbarrel Project - Drilling Program



Digital elevation image showing location of proposed drillholes (blue dots) relative to prior drilling (red dots); Aura tenements and applications outlined in blue



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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. Dr Beeson is a member of the Australian Institute of Geoscientists.

Equivalent uranium values presented here were calculated by David Wilson of 3D Exploration Pty Ltd. All holes were logged with an Auslog A75 total count gamma tool. The gamma tool was calibrated in Adelaide at the Department of Water, Land and Biodiversity Conservation in calibration pits constructed under the supervision of the CSIRO. These calibration pits have been shown to provide calibration standards for drill hole logging tools that are comparable to those at the DOE facility in Grand Junction, Colorado USA.

The gamma tool measures the total gamma ray flux in the drill hole. Readings are averaged over 2 or 5 centimetre intervals and the reading and depth recorded on a portable computer. The gamma ray readings are then converted to equivalent U3O8 readings by using the calibration factors derived in the Adelaide calibration pits. These factors also take into account differences in hole size and water content.

The gamma radiation used to calculate the equivalent U₃O₈ is predominately from the daughter products in the uranium decay chain. When a deposit is in equilibrium, the measurement of the gamma radiation from the daughter products is representative of the uranium present. It takes approximately 2.4M years for the uranium decay series to reach equilibrium. Thus, it is possible that these daughter products, such as radium, may have moved away from the uranium or not yet have achieved equilibrium if the deposit is younger than 2.4M years. In these cases the measured gamma radiation will over or under estimate the amount of uranium present. The gamma radiation from the uranium daughter products measured at Junction may not be in equilibrium due to one of the above factors. Aura Energy will be conducting further studies to determine the disequilibrium if present.

The information in this report that relates to uranium grades is based on information compiled by David Wilson MSc MAusIMM from 3D Exploration Ltd based in Western Australia.

Mr. Wilson is a full-time employee of 3D Exploration Pty Ltd a consultant to Aura Energy Limited. Mr. Wilson 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 to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Mr Wilson is a Competent Person as defined in the 2004 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Wilson 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:

64,482,659 fully paid ordinary shares
3,050,000 unlisted options



About Aura Energy

Aura Energy (ASX: AEE, "Aura") is a uranium explorer with projects in Australia, Sweden and Africa. The Company has assembled an exceptional portfolio of properties on three continents, including a major presence in Sweden's Alum Shale Province, one of the largest depositories of uranium in the world. The Company continues to be very active, with drilling completed on all three continents in 2008.

Aura is a major landholder in the mineralised Alum Shale of central Sweden. The Alum Shale is widely distributed throughout the Baltic States and locally contains exceptionally large resources of uranium, vanadium, molybdenum and nickel.

Aura's Storsjön Project adjoins Continental Precious Metals' (TSX: CZQ) Viken Project, which has a published resource of 1.05 billion pounds U_3O_8 grading 0.017%. This size of resource makes Viken the second largest published uranium deposit in the world after Olympic Dam.

Aura's considers that it holds approximately half of the uranium field, and anticipates defining resources of similar size to Viken in its Storsjön Project.

In an alliance with GCM Resources plc (LSE & AIM: GCM), Aura is exploring in West Africa. Under the alliance, Aura has been granted four exploration licences in Mauritania and applied 10 further licences. Two phases of fieldwork at Its Requibat Project has demonstrated the presence of large areas of calcrete-type uranium mineralisation at surface, with grade averaging in excess of 500 ppm U_3O_8 .

The Company has also made applications for three in Niger on the margin of the Air Massif. Uranium mineralisation has been observed in all three Mauritanian licences.

In Australia, Aura is exploring prospective uranium districts of Western Australia targeting calcrete deposits in the Murchison and Goldfields regions and lignite/sandstone Mulga Rock style in the Gunbarrel Basin. Aura has a joint venture with Mega Redport (TSX: MGA) and exploration is continuing at palaeochannel targets defined by EM and radiometrics. Aura has completed three drilling programmes at its Wondinong Project (100%), located near Mt Magnet.

Aura's management team and staff are highly experienced in uranium exploration, including involvement in a number of historical discoveries.



Drilling the Junction palaeochannel, July 2009